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In the Fields of Finance and Reconstruction

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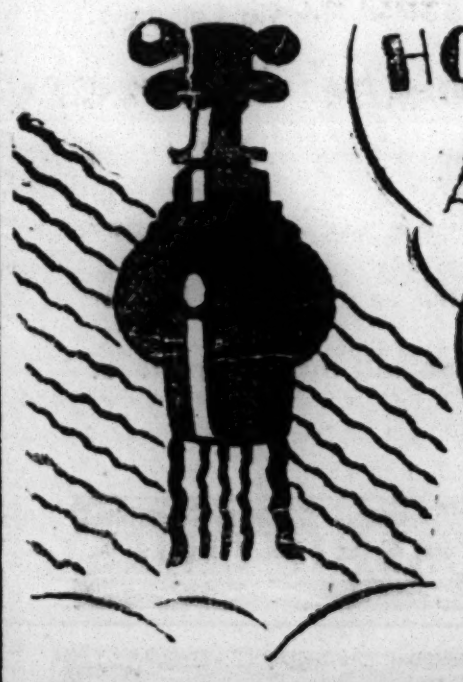

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WASHINGTON OFFICE

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Colorado Building, Washington, D. C.

THE LEAGUE PLACES A MORAL RESPONSIBILITY ON JAPAN

THE League of Nations has adjourned and has left upon the shoulders of Japan a heavy moral responsibility which must be liquidated by November 16, when the League Council will meet again. What is Japan going to do? Can she flout the rest of the civilized world and get away with ? We doubt it. There seems only one sane course for Japan—to curb the power and the ambitions of her war office and continue on the course upon which she set the ship of state when see adhered to the League Covenant and which she confirmed when she signed the Pact of Paris.

During five weeks Japan had the privilege and freedom of putting her case before a great international tribunal of statemen. She took advantage of that opportunity and placed reams of evidence before the League of Nations Council. China put her case also and the result has been 13 to one against Japan's proposals as a first step towards a settlement of the Manchurian dispute and 13 to one in favor of the League resolution. If Japan ignores the League resolution and fails to carry out its suggestions she is making only a mockery of her membership of this great international body and will inevitably make herself the civilized world's outcast, an ignominious position she cannot fill and remain in the family of nations.

The League resolution is plain and remarkably fair. It recalls the statement of Mr. Yoshizawa that his Government would continue as rapidly as possible the withdrawal of its troops into the railway zone in proportion as the safety of the lives and property of Japanese Nationals is effectively assured and the statement of the Chinese delegafe that his Government would assume responsibility for the safety of lives and property of Japanese nationals outside the railway zone.

The resolution also recalls that both Governments have given assurances that they would refrain from any measures which might aggravate the existing situation and therefore are bound not to resort to an aggressive policy and to take measures to suppress any hostile agitation. Thirdly it recalls that Japan has declared she has no territorial designs in Manchuria in accordance with the terms of the Nine Power treaty of 1922, the Washington Treaty.

The Council therefore "calls upon the Japanese Government to begin immediately and to proceed progressively with the withdrawal of its troops into the railway zone so that their total withdrawal may be effected before the next meeting of the Council," and

"The Council calls upon the Chinese Government, in execution of its general pledge to assume responsibility for the safely and lives of all Japanese subjects resident in Manchuria to make such arragements for taking over the territory thus affected as will ensure the safety of the lives and property of Japanese subjects there: and requests the Chinese Government to associate with the Chinese authorities designated for the above purpose representatives of other powers in order that such representatives may follow the execution of the arrangement."

The resolution goes on to recommend the Chinese and Japanese Governments immediately to appoint representatives to arrange the details of the execution of all points relating to the evacuation and to take over evacuated territory, and, as soon as evacuation is complete, to begin direct negotiations on the questions outstanding between them, particularly those arising out of recent incidents. The resolution also decides upon adjournment of the Council until November 16, by which date the provisions of the resolution are to be carried out.

That the resolution is an eminently fair one is apparent on the face of it and no one but a Japanese would dispute the point. True it is a compromise but then a compromise was inevitable for the alternative to compromise is war. China got far less in this resolution than she originally asked for but in a spirit of fair-mindedness and willingness to abide by League decisions she accepted the resolution as it stood without cavil.

Not so Japan. She brings in reply a list of counter-proposals containing vague and unexplained provisions. These however did not hoodwink the League Council.

After opening in similar vein to the League resolution these counter-proposals go on to suggest the withdrawal of her troops "with the appeasement of feeling by realisation of a previous understanding between the Chinese and Japanese Governments on fundamental principles governing their normal relations." Note the wooliness of it. What fundamental principles? Mr. Yoshizawa was asked a dozen times in Geneva what they were and could not reply.

In the debate which followed the presentation of Japan's "ultimatum" to the League Mr. Yoshizawa had the effrontery to say that the "presence of Japanese troops in Manchuria was in no way due to a desire on the part of Japan to exert pressure on China, but merely an obligation due to existing conditions." Mr. Yoshizawa has also stated that Japan would withdraw her troops so soon as the safety of Japanese lives and property were assured. China has guaranteed, solemnly before the League, that they shall be afforded full protection. Thus the Japanese condition has been met and Mr. Yoshizawa dares to stand up in the Council chamber and declare that these troops are not there to exert pressure on China. The whole object of their entry into Manchuria was to exert pressure, a fact attested to by public and press pronouncements in Japan. Japan's attitude at Geneva is that she wants China's agreement to preliminary conditions relating to their relations before she withdraws. If the Japanese troops are not in Manchuria to exert pressure then why cannot they be withdrawn immediately, the safety of Japanese lives having been guaranteed? If Japan will not withdraw them until her conditions are met what are they doing but exerting pressure on China? The statement stands branded a lie by Japanese actions, a lie of the Tokyo Government issued through the mouth of its spokesman in Geneva.

Mr. Yoshizawa then went on to say that Manchuria was in a state of disorder and that obviously the Chinese could not repress disorder. Do they have a chance? Japan is now governing Manchuria through its war office and through local bodies set up by the Japanese military authorities. It is they who cannot repress disorder. There has been more disorder in Manchuria during the five weeks it has been under the control of Japan than existed during years of administration by the Chinese authorities. The Japanese have completely failed to keep order in Manchuria.

Another point in the Japanese counter-proposals that can be branded as sinister is that relating to the appointment of Chinese and Japanese observers to follow the evacuation program instead of neutral observers. The need for neutral observers is obvious. Of what use would Chinese and Japanese observers be in the present crisis? The word neutral is the very qualification necessary for such a task.

It is plain to see that with no neutral observers Japan would have plain sailing for any tricks she cared to play. She has puppets all over South Manchuria and it is not outside the bounds of possibility that she could stage through them anti-Japanese actions and incidents which would compromise China after her undertaking to the League to afford full protection to Japanese nationals. With neutral observers such tricks would be more difficult to play. If Japan's game is above board then she would welcome such neutral observers. What is it that she wishes to hide from the penetrating eyes of neutral observers in Manchuria?

A good deal also has been talked about at Geneva and in Tokyo concerning the stationing of foreign troops in Shanghai, and Japanese officials and newspapers have drawn parallels between their actions in Manchuria and the stationing of foreign troops in Shanghai since 1927.

We look in vain for a true analogy. The Shanghai international settlement is in the same case as the railway zone in Manchuria perhaps, no more. To stretch a point it may perhaps be possible to draw an analogy between foreign troops in the settlement and Japanese troops in the railway zone.

There can be no further analogy until foreign troops in Shanghai suddenly march hundreds of miles into Chinese territory and occupy cities and towns. This they have never done nor will do. The analogy of the Japanese ceases to be such the moment a Japanese soldier goes outside the South Manchuria Railway zone into Chinese territory. This comparison between Japanese occupation of Manchuria and the presence of foreign troops in Shanghai's international settlement is but another link in the chain of lying propaganda that has issued without break from Tokyo since September 18.

Another piece of propaganda of the same kind was that concerning the "sacredness of treaties." Tokyo wailed loudly that the League was refusing to take up the matter of sacredness

of treaties whereas in point of fact that had never cropped up. The League stands immovably for the sacredness of treaties. Japan wants an agreement with China concerning a bunch of "treaties," which Japan carefully does not name, before her troops withdraw. Japan committed an act of war by occupying Manchuria in order to force China to come to an agreement concerning this bunch of "treaties." The League has examined the situation and has decided that under China's guarantees Japan should withdraw her troops and then begin negotiations for a settlement of all disputes by pacific means, Japan having undertaken by the League covenant and by the Pact of Paris to seek a settlement only by pacific means. The League respects the sacredness of all treaties but is insistent that members of the League who have undertaken to seek settlement of disputes by pacific means shall respect their undertakings. The sacredness of treaties is and never was involved in any action the League has taken regarding Manchuria. Even Yoshizawa in Geneva was flabbergasted by Tokyo's references to the "sacredness of treaties" and the League's supposed evasion of the point. Well he might be flabbergasted: he was only in company with the rest of the world outside Japan.

The insincerity and obstructive tactics of Japan have been displayed for all to see and the League is not blind to them. Fairly and firmly the League has placed upon Japan the responsibility of showing definitely whether she is sincere in what her representative has said for her at Geneva. Japan has a chance to redeem her actions and speeches of the last five weeks. Will she take it? We hope for Japan's sake that she does.

Evidence of Japan's Real Objective in Manchuria

(Written at Mukden on Oct. 19)

THE little social club maintained by the foreign community in Mukden contains a small library for the use of the members. Prominently displayed on a shelf of the library is a book, the contents of which are most interesting in these eventful days in Manchuria. The title of the book is "The Break-Up of China," and it was written a third of a century ago by a prominent Englishman, Lord Charles Beresford. It is an interesting coincidence that this book should have been found in Mukden at this particular time, but of still more significance is the fact that the title page contained an indelible stamp indicating that the book had once belonged to the "Kaiserlich Deutsches General Konsolat" in Shanghai, otherwise the old German Consulate in Shanghai. Lord Charles Beresford used the title, "Break-Up of China" because most persons at that time believed the dissolution of the Chinese Empire to be imminent. He had been sent to China for the purpose of making an investigation on behalf of the British Chambers of Commerce and his book was in the nature of a report on the condition of China as he found it at that time when powerful foreign nations were grabbing Chinese ports and staking out "spheres of influence." In order to stay the tendency, the United States had just declared its "Open Door" policy, but little attention was being paid to it and conditions generally were in turmoil. Since China is now facing a crisis somewhat similar to that which prevailed in 1899, it is of interest to quote from Beresford's book:

Back to the days of armor—This Japanese soldier on guard over a Chinese official yamen at Mukden, is attired in a suit of armor which effectively covers his body and is supposed to be effective protection against Chinese "plain-clothes" men allegedly sent to Mukden by Marshal Chang Hsueh-liang.

***

"The break-up of an Empire of four hundred millions of people is an event that has no parallel in history. ..The British and American public have been quite bewildered by the controversy which has raged during the last year over the relative merits of the 'Open Door' and the 'Sphere of Influence.' Investigations on the spot have convinced me that the maintenance of the Chinese Empire is essential to the honor as well as the interests of the Anglo-Saxon race, and I hope that when the British and American peoples are acquainted with the facts as a whole, they will be similarly convinced . . . The Diplomatic and Commercial prestige of Great Britain has been affected by the events in Northern China, but only in slight degree when compared with the loss of good name involved by forcing concessions from China when she is prostrated by involuntary surrenders to Powers stronger than herself. Hitherto our policy has been to befriend weaker nations. It cannot be said that this policy has lately been followed in the Far East.....Mastery in Asia under a system of 'Spheres of Influence' will not be determined by effusion of ink. A straightforward recognition of the principles of

All that's left of what was once a Chinese military barracks in South Manchuria.

freedom, fair dealing, and equality of opportunity which have made our position in the world, coupled with resolution and vigor in carrying these principles out, will not only preserve the integrity of the Chinese Empire, but will conduce more largely to our interests, than the present plan of taking what does not belong to us because other Powers are doing the same. Unless a definite settlement of the problem in the Far East is not thought out and brought into effect, war is certain, and the whole civilized world may be compelled to share in the conflict...."

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The foregoing paragraphs copied from the preface to Lord Beresford's book written more than thirty years ago are of tremendous interest today because China is now facing a situation somewhat similar to that which prevailed prior to the Boxer uprising of 1900. As a matter of fact the Boxer uprising was a direct result of the events encompassed in the suggestion conveyed in the title of Lord Beresford's book, "The Break-Up of Chinia." At that time Russia was supreme in Manchuria, Imperial Germany controlled Shantung, Britain had assumed control at Weihaiwei, France had seizded Kwanchaowan on the SouthChina coast and was predominant in Yunnan. The "break-up" of China appeared imminent and the United States, in order to stay the process and protect her own interests had announced the "Open Door" doctrine.

***

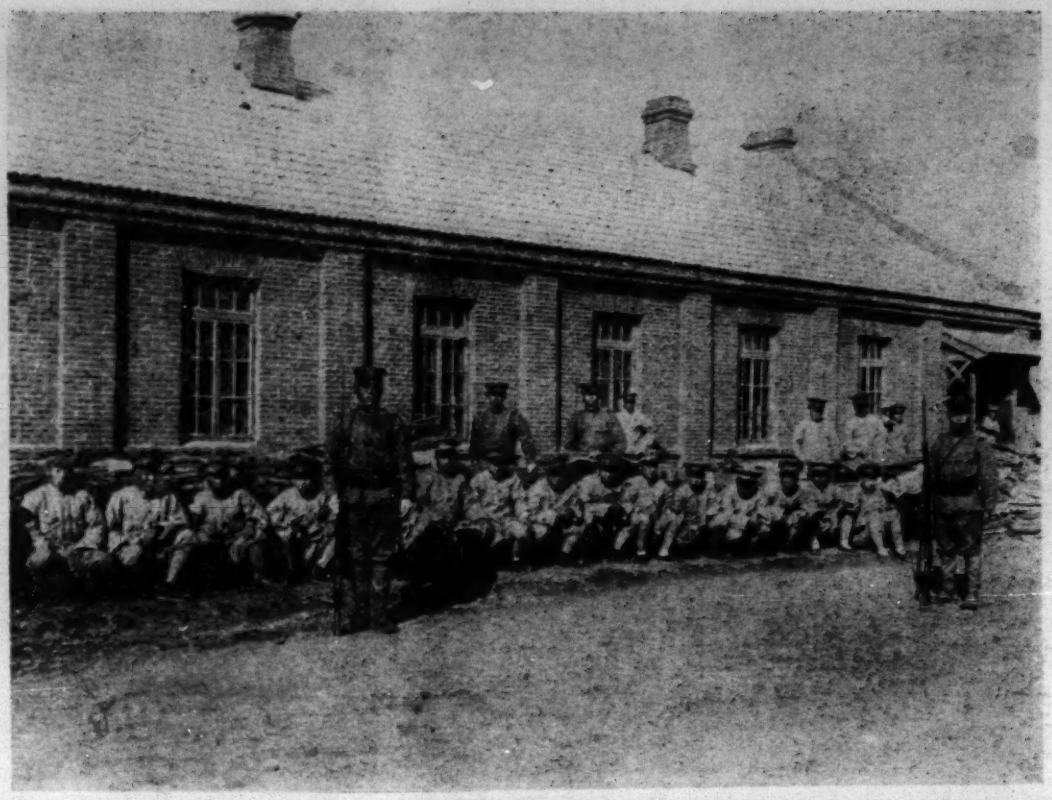
While the situation in China and the world generally has greatly changed since Beresford's book was written, there is no disguising the fact that an equally threatening situation now exists in the Far East. Taking advantage of the pre-occupation of America and the European Powers in their own depressed economic affairs, a feudalized Japanese Army operating without constitutional restrictions has seized Chinese territory and is making most thinly-disguised plans for permanent occupation. Should Japan succeed in this move, Soviet Russia despite any professed intentions to the contrary, would be forced to take similar action in North Manchuria and in Sinkiang, thus repeating in a sense the situation which existed at the close of the past century.

***

The difficulty which exists in making any detailed analysis of Japan's present intentions is due to the fact that the Japanese Government is a dual affair which speaks two separate and distinct languages. One of these voices is that of the Tokyo Foreign office which is echoed throughout the world by Japanese consular and diplomatic

The Chinese dragons over this gate and archway across a Chinese street in Mukden are observing the strange sight of an invading army of Japanese cavalry marching through area previously guarded by the Chinese Dragon's own subjects.

officials and representatives at the League of Nations. The other voice is that of the military establishment represented by Gen. Minami, head of the War Ministry, and other officials of that branch of the Japanese Government, including of course the officers of the Kwantung Army stationed on Chinese soil. A few examples will show the fundamental differences in the tones of these two voices: On October 12 the Tokyo Foreign Office announced through its representative at the League that "The Imperial Japanese Government is prepared to enter into negotiations with China's fully authorized representatives to discuss the basic principles of settlement." The "basic principles" mentioned in the dispatch included Japan's willingness to withdraw her troops from outlying areas into the S. M. R. zone; Japanese military operations have been discontinued; Japanese military and naval activities in China proper have been guided by self-restraint and forbearance; Japan believes the first and urgent thing to be done is to endeavor to relieve the tense feeling existing between China and Japan. On the same day, Mr. Debuchi, Japanese Ambassador in Washington informed Secretary of State Stimson that (1) Japan has no territorial designs in Manchuria; (2) Japanese troops stationed outside the railway zone are to be withdrawn when fully satisfied regarding the safety of Japanese residents; (3) the fear that local clashes may lead to war between the two countries is entirely groundless. In a later interview with Under-Secretary Castle, Mr. Debuchi declared further that "Japan has no territorial ambitions whatever and any talk of Japanese annexation of Manchuria is nothing more than groundless rumor. Furthermore, Mr. Debuchi declared that Japan and China are "averse to quarrelling and will solve the present trouble by direct negotiation."



Chinese soldiers who were taken prisoners by the Japanese and are still being held at Changchun. The Chinese garrison at Changchun was the only one that put up any resistance to the Japanese occupation.

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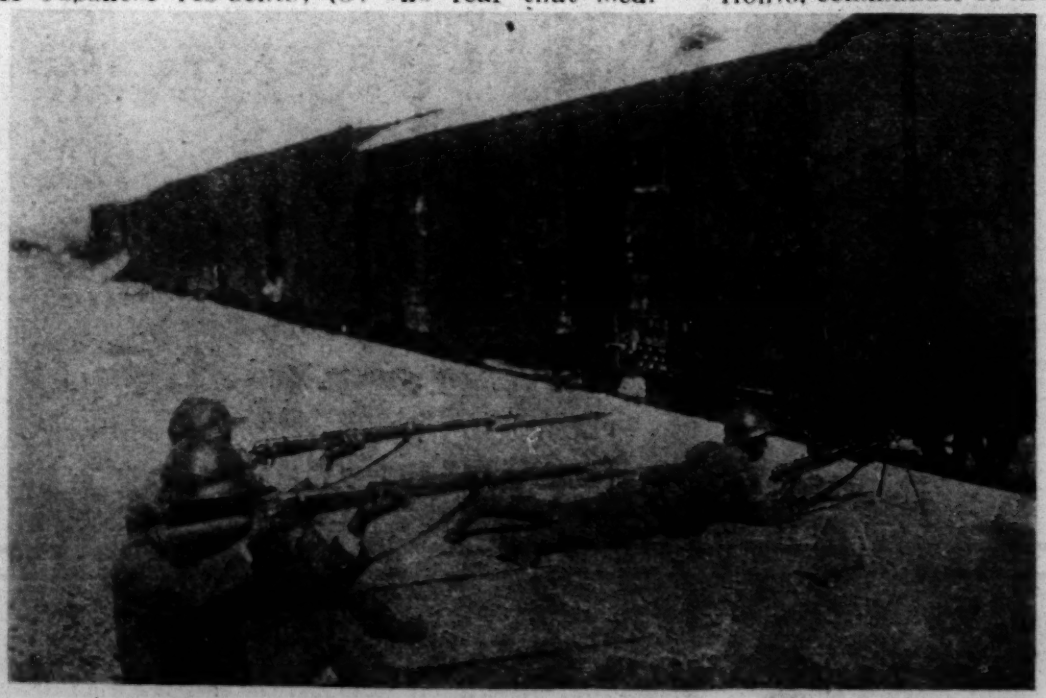
But while these declarations were being made by representatives of the civilian branch of the Imperial Japanese Government, other and quite different statements were being issued by Gen. Honjo, commander of the Japanese Army stationed on Chinese soil. For example, during the week ending Sept. 13, Gen. Honjo issued official reports from his headquarters in Mukden that independent or "self-government" committees had been established in the following cities and towns of South Manchuria:

Fuchou—located to the north of Pulantien near the border of the Kwantung Leased Territory. Self-Government office organized under direction of a man named Ching.

Fushun—located about thirty miles from Mukden where the large Japanese coal mines are located. Flag pole hoisted bearing yellow flag inscribed "Fushun Prefecture Self-Government Office," and circulars distributed denouncing previous officials and announcing creation of new adminis-



Japanese troops protecting the railway yards on one of the Chinese lines that has been taken over by the Japanese Army in South Manchuria.

Japanese soldiers on the alert for Chinese "enemies" at Pai-Ta-Ying, near Mukden. The buildings are the remains of the famous Chinese North Barracks, located near the South Manchuria Railway tracks near Mukden. These barracks were completely demolished by the Japanese heavy gun-fire and infantry attack and some 10,000 Chinese soldiers routed. The Chinese soldiers killed were 300, with no wounded, while the Japanese only lost 2 killed and 19 wounded.

tration "based on community family system handed down from time immemorial." Self-Government committee allegedly included, Hsia Hsuan, Liu Han-ching, Ho Hsi-cho, Sun Chen-kuei, Tang Chih-ming, with Japanese advisers named Hamaguchi and Tsuji.

Tiehling—located on South Manchuria Railway to north of Mukden. Self-Government committee formed on Oct. 11 and long proclamation issued declaring intention to revert to old "prefectural" system and notices sent to outlying villages to similar effect. Officers allegedly included, Yung Ching, Chang Tsu-ying, Yu Pan, Cheng Lu, Lu Shu-chih, Fu Wen-ping, Wu Kwei-fen, Yang Hsuan, etc.

Antung—located at mouth of Yalu River, opposite Korea and southeast of Mukden. Self-Government Committee formed on Oct. 9 and rifles and munitions issued to new police force by Japanese.

Penchihlu—located on Mukden-Antung line, seat of Penchihlu Colliery and Mining Company. Self-Government office opened on Oct. 8 and proclamation issued denouncing Marshal Chang Hsueh-Liang and Gen. Chang Tso-hsiang.

Kaiyuan—located on S. M. R. to north of Mukden. Self-Government office opened based on old "prefectural" system. Officers allegedly co-operating included Wang Ying-pin, Chao Yu-chao, Kang Tso-min, Tsao Lin-pu, Wang Lin-ju, Chao Chi-han, Chin Tzu-chang, Kuan Chung-san, Lo Hua-nan and Ting I-ching. Japanese advisers appointed, Morita and Kubota; and proclamation issued denouncing old regime.

Changtu—located just off S. M. R. line to north of Mukden near Liao River. Major Tadokoro of Japanese railway yards calls meeting of Chinese residents and appoints Chinese named Tsu-fu Kuang head of new "self-government" committee. Three Japanese civilians and two army officers appointed advisers.

Mukden—former Manchurian capital. So-called "Committee for Peace Preservation" formed, under chairmanship of old Chinese official, Yuan Chin-kai. Committee subject to orders of Col. Doihara, former resident Japanese military official at Mukden. Chinese police force reorganized under Japanese control with Japanese officers in leading positions. Later a Japanese-educated Chinese lawyer, formerly an adviser to Marshal Chang Hsueh-liang, appointed "mayor," with Col. Doihara serving as adviser.

Kirin City—capital of Kirin province, located east of Chang-chun. Self-Government committee formed under control of Japanese military under chairmanship of ex-official, former resident of Japan, named Hsia Chia. Several Japanese advisers appointed.

Tunghwa—located in Kirin province east of Kirin City at end of railway extending from Kirin city toward Korean border. Self-Government committee formed under direction of Japanese military force stationed in Kirin City.

Hsinmin—located on Peiping-Mukden (Chinese own-

Japanese military review and celebration in the main plaza or park in Kirin City, capital of Kirin province of South Manchuria. The Japanese have one infantry brigade and two batteries of field artillery stationed in Kirin city. The Chinese troops previously stationed in Kirin retreated without resistance.

ed) line to east of Mukden. Self-Government committee formed under direction of Japanese military force stationed at Chuluho on Liao River near Mukden.

Changchun—located to north of Mukden at junction of S.M.R. and Soviet-controlled Chinese Eastern line. Chinese self-government committee formep with Japanese advisers under supervision of resident Japanese military force. Son of late Manchu Prince Su appointed Mayor.

Tsitsihar—capital of Heilungkiang province of North Manchuria, located on Soviet-controlled Chinese Eastern Railway to the west of Harbin. Unmistakable evidence of Japanese connivance in action of Gen. Chang Hai-peng, formerly stationed at Taonan, who ousted administration formerly under Gen. Wan Fu-lin, a subordinate of Marshal Chang Hsueh-liang.

Yingkow-Newchwang—located on Gulf of Liaotung to east of S. M. R. line. Self-government committee formed under Japanese auspices with usual Japanese advisers.

The Japanese conquerers marching into Changchun, strategic point where the Japanese South Manchuria Railway joins the Soviet-controlled Chinese Eastern line.

⁂

An inspection of the map of South Manchuria will show that the towns noted in the forgoing tabulation of "self-governed" cities issued by Gen. Honjo's office at Mukden, include practically every important city and railway junction in the territory now occupied by the Japanese military. And while nothing has as yet been announced regarding the creation of a new "government" for Liaoning (Fengtien) province, there was an announcement on October 19 by General Honjo pertaining to the creation of a so-called "Board of Finance for Liaoning Province," which undoubtedly constituted an important step in the direction of a new provincial government. The new Board of Finance is under the nominal control of the Chinese "Peace and Order Committee" in the Mukden walled-city, which is presided over by Yuan Chin-kai, who in turn receives his orders from Col. Doihara, Japanese resident officer in Mukden. The regulations as published in the official Japanese paper, *Manchuria Daily News* at Dairen, were as follows:

Art. 1. The Local Peace and Order Committee, with a view to restoring and safeguarding the public peace and order and the people's living, seeing the necessity to revive the Provincial Board of Finance, has laid down the provisional regulations for accomplishing the above object.

Organization and Scope of Authority

Art. 2. The Director of the Board of Finance shall be selected by the Local Peace & Order Committee.

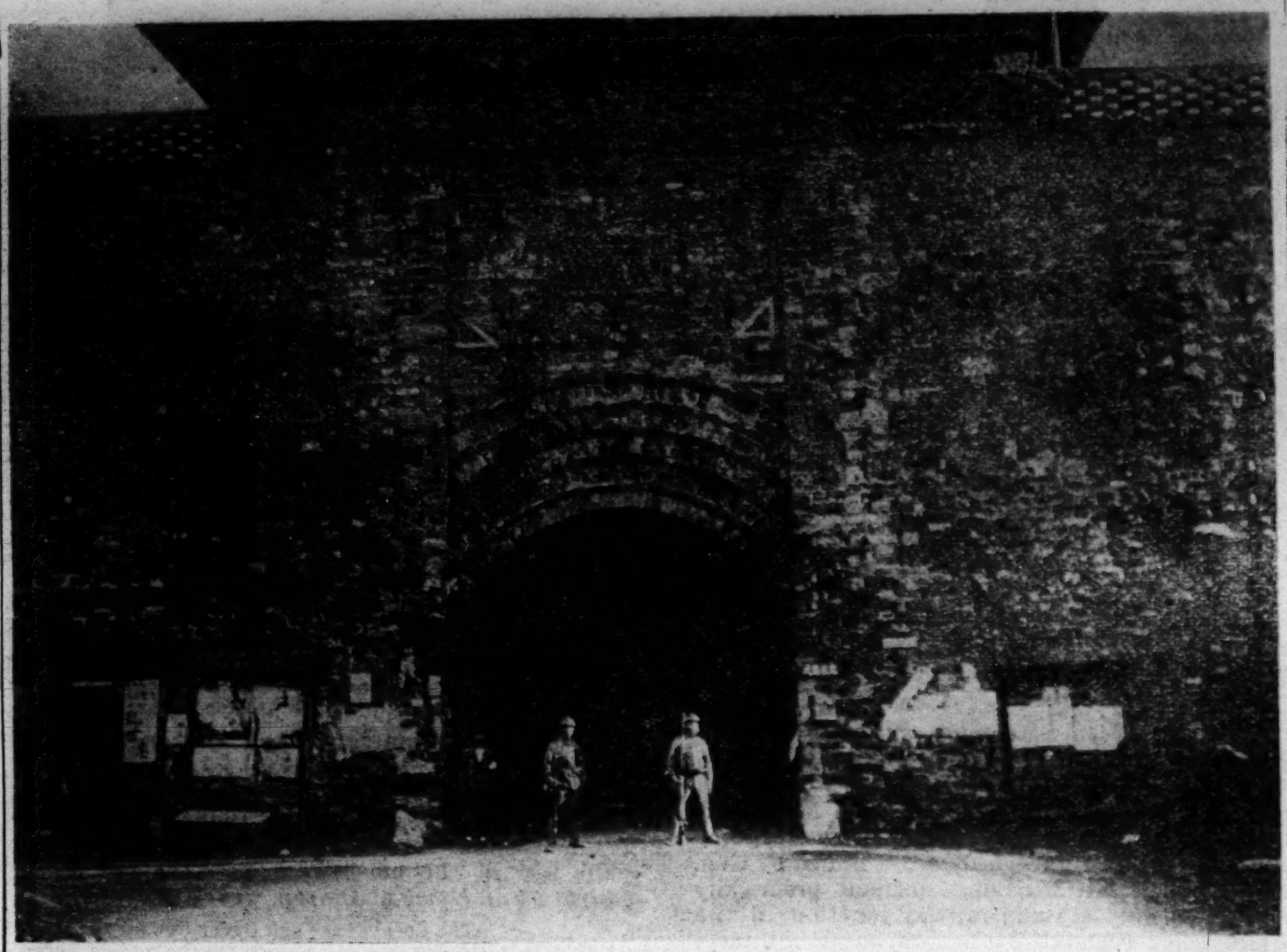
Art. 3. The organization and the scope of authority of the Finance Board shall remain as before for the present, what changes are deemed necessary being confined to the minimum.

Art. 4. The Local Peace and Order Committee, with the object of perfecting the working of the financial administration, shall engage a number of Japanese advisers and secretaries whose opinions are to be duly respected by the Board in administering financial afsairs.

Art. 5. The Local Peace & Order Committee shall organize the Financial Readjustment Committee to take up the plan of how to reorganize the taxation system, how to compile the estimates, etc., the new Committee comprising:

Japanese representative, the representatives of Local Peace & Order Committee, Municipal Office, General Guild, and Agricultural Guild, Superintendents of Finance Board, and Advisers & Secretaries, although the Guilds' representatives are to take part in the meetings considering the taxation system.

Japanese soldiers on the job protecting their "rights and interests" in South Manchuria. This picture was taken on the outskirts of Mukden.



Two "little" Japanese soldiers holding one of Mukden's big gates. Every Chinese citizen who passes through this gate gets the "once-over" by these Japanese guardians.

Familiar scenes in South Manchuria: Japanese troops on guard behind sand-bag barricades at the gate to a Chinese compound of official yamen.

Art. 6. The Director of the Finance Board on consulting with the Local Peace & Order Committee shall issue such notices as are deemed necessary for the present purposes, subject to the approval of the Japanese Army, prior to giving them effect.

Art. 7. The Local Peace & Order Committee, when the provisional regulations of the Board of Finance have been got up, shall apply to the Japanese Army for its consent to reopening the Board to business, and shall take steps to actually open it with dispatch.

Art. 8. In case of a revenue official who served the old government being guilty of remitting taxes to the hostile party, the Local Peace & Order Committee shall demand of the Japanese authorities to deal with such offenders severely.

Japanese scouting party poses for a picture on the outskirts of Kirin City, capital of Kirin province. According to reports the Japanese are now constructing an extensive system of fortifications around Kirin, indicating permanent occupation.

Of equal importance with the foregoing as indicating the real intentions of the Japanese Army, has been the Japanese military activities in connection with the two official Chinese banks, the Frontier Bank and the Bank of the Three Eastern Provinces. One of the first actions of the Japanese military authorities following the "capture" of Mukden on the night of Sept. 18 was the sealing of these two official Chinese banks. Japanese auditors immediately were put to work inspecting the accounts of the two Chinese banks, the announced Japanese purpose being to protect the depositors of the banks. Actually the purpose was to ferret out the financial affairs and secrets of the Chinese administration which had been kicked out and prevent removal of the funds by the former Chinese officials. On October 18 Gen. Honjo announced the creation of a new committee to have supervision over the affairs of the two banks, one provision of which was that each department of the banks should be headed by a Japanese "adviser" whose salary was to be paid by the banks. The official regulations announced by Gen. Honjo were as follows:

To restore public order and people's living to a more normal condition, I hope that the finances of the old Provincial Government will be readjusted quickly so as to stabilize the local financial and other community status.

(1) The Japanese Army, in terms of Art. 43 of the Army Law, has permitted the reopening of the Northeastern Provincial Government Bank to render financing facility to the public.

(2) In conduct of business, the Bank shall safeguard the interests of the Japanese Army in terms of Art. 53 of the Army Law, and also shall do everything to restore and preserve public order and people's living.

Another Japanese trench-system at Mukden where the Japanese Army is using forceful measures to protect Japan's so-called "rights and interests" in South Manchuria.

(3) Japanese Army, in order to accomplish the above mentioned object, shall supervise the Bank affairs by deputing a few Japanese supervisers to be engaged by the Bank as Advisers and Councillors.

The Bank affairs may be supervised by other than those above mentioned at any time.

(4) If deemed necessary, the Japanese Army shall suspend the whole or part of the Bank business at any time.

(5) In case of the Local Peace and Order Committee preparing the names of the candidates for the chief officials of the Bank the approval of Japanese Army shall first be obtained.

(6) The Bank shall not be permitted to do any dealing hostile to or with a hostile intention, against the Japanese army. Neither shall any business dealing be permitted with such party as is guilty thereof.

(7) Concerning conduct of business by the Bank, any directions being given the Bank management by the

Local Peace & Order Committee shall be made subject to the approval of the Japanese army.

(8) The Bank shall not permit any branch thereof to hold a large amount of cash money.

(9) The above shall apply also to the Frontier Bank.

Aside from the evidence of Japan's real intentions in South Manchuria as presented in the official declarations of the commander of the Japanese forces, there have been further indications of far-reaching plans. Some of these indications are circumstantial, but nevertheless have significance. Since the military occupation of Mukden the city has been the mecca of various ex-Manchu and Mongolian officialdom who have been brought here by the Japanese military authorities for purposes other than sight-seeing. Spokesmen connected with the Japanese Army Headquarters in Mukden have declared their refusal to negotiate with either the Nanking Government or with Marshal Chang Hsueh-liang and when attempts have been made by foreign observers to pin them down to a definite statement the declaration has been made that "Japan will negotiate with no one except the representative of the 'people' of Manchuria." This statement naturally leaves considerable latitude for the selection of a new head for the Manchurian Government, but with local self-governing committees functioning under Japanese military auspices throughout the territory, there is a possibility that the Japanese Army may on some propitious occasion suddenly produce a new "ruler" for the Three Eastern Provinces. The Japanese newspapers have printed numerous articles about the creation of a new Manchu-Mongolian Republic or "empire" and the *Osaka Mainichi* a few days ago stated that the Japanese Army had decided upon establishing a "military mandate" in South Manchuria. The important point in the matter is that while spokesmen for the Japanese Government in Tokyo have said much about future negotiations for a settlement of outstanding diplomatic and economic problems, such as the railway and land-lease matters, the Japanese Army in actual occupation has other ambitions which warrant the closest possible attention on the part of the Chinese people as well as the world generally. The Japanese Army "ring" or clique which is headed by Gen. Minami, Minister of War, and which includes the heads of the military forces in actual occupation of Chinese territory have their own ideas and plans---ideas and plans of many years standing---and they have no intention whatever of giving them up regardless of the opinions of the civilian branch of the Tokyo Government or of the outside world generally.

The Nanking-Canton Peace Negotiations

ACCORDING to reports the negotiations between Nanking and Canton delegates now in Shanghai are not getting along so fast as is desirable at the present time but it is hoped by the time this is in print something tangible will have been achieved. Mr. Wang Ching-wei and his colleagues duly arrived in Shanghai and Mr. Wang in a statement made soon after landing here, haid:

"The main significance of the proposed issue of two circular telegrams, one by Mr. Chiang Kai-shek in which he is to announce his retirement, and the other by the National Government at Canton announcing its dissolution, is that this will serve to put an end to the complications of the past few years and open up a new era.

"What are to be the outstanding features of this news era?

"While it is scarcely possibly to answer this question in a few words, it may be said that the main object we have in view is to bring about the liberation of politics from military domination. For any political administration which is subject to military domination is bound to be unsatisfactory.

"No military force, therefore, whatever be the form it assumes, must be allowed to dictate to and dominate over the political administration.

"This is the one essential difference between modern and mediaeval or non-modern States.

"Whereas in the latter States, political power must be backed up by some extraordinary force, especially military force, the confidence or mandate of the people is alone sufficient in a modern State to support the Government; not only is military force as a political factor unnecessary, but it is absolutely undesirable.

"Any military man who is desirous of taking part in politics must therefore resign any military position that he may hold. For it is only in this way that he may be prevented from using his military force to browbeat or coerce the political administration.

"In modern States, all military men who are in active service enjoy the complete confidence of the people. For their primary duty being the defence of the nation, and national defence being of paramount importance to the State, all service men necessarily command the absolute and unreserved confidence of the people.

"Those who engage in politics, however, must of necessity have political opponents. For political opinions and principles are relative, and not absolute.

"A clear grasp of this point will convince one that no person, however distinguished his personal attainments may be, ought to be allowed to control at one and the same time both political and military affairs."

The delegates of both governments have met and exchanged views and President Chiang Kai-shek on a hurried trip to Shanghai had an interview with some of the Canton delegates. It is reported that he asked Mr. Hu Han-min, ex-President of the Legislative Yuan, to represent Nanking in the conversations but Mr. Hu has turned down the offer. President Chiang's hurried return to Nanking caused some misgiving but it is stated by officials closely connected with the President that such misgivings were unjustified, his return being caused by urgent Government business in Nanking.

In the meantime Nanking has appointed five peace delegates, old and tried politicians; Messrs. Chang Chi, Tsai Yuan-pei, Chang Ching-kiang, Li Shih-tseng and Chen Ming-shu, who can be relied upon ably to take care of Nanking's and China's interests as a whole.

Those brief exchanges have been followed by the publication of communications which have passed between the Canton delegation and President Chiang Kai-shek. They are as follows:

From the Canton delegation to President Chiang:

Our purpose in coming here to negotiate on behalf of our comrades at Canton is twofold: firstly, to seek a solution of the various difficult questions now confronting the Party and the State, and secondly, to make joint efforts in overcoming the present national crisis.

We have just read your kind letter, exhorting us to have all past mistakes rectified and expressing the earnest hope that there will be no recurrence of such unfortunate complications. This, we may assure you, is exactly what we have been sedulously seeking after. We beg also to remind you that for the realization of such hopes, we had made the following suggestions:—

1. In order to cope with the present national crisis jointly, it is necessary that a unified front in foreign relations be first attained.

2. With regard to the various difficult questions affecting the Party and the State, we suggest that a few delegates be appointed and despatched to Shanghai to discuss with us detailed measures for a solution of such problem; and that after a mutual agreement has been reached, a formal conference be opened to carry these into effect.

3. It is our considered opinion that the fundamental problem affecting the Party and the State consists in the centralization of power in the Party and the realization, in accordance with the procedure prescribed by the "Fundamentals of National Reconstruction," of a democratic government. This is the basic principle to which we beg to call your attention.

4. With reference to Party affairs, we suggest that a joint plenary session of the Central Executive Committees of the 1st, 2nd and 3rd National Congresses be called to solve various Party problems as well as to convoke a sound and unimpeachable 4th National Congress of Party delegates so that all past complications may be eradicated and the foundation for the future firmly laid.

5. The Presidency of the National Government should be filled, in accordance with the examples of the presidential systems of France and Germany, by a comrade who should be both venerable in age and of established character and reputation. No military man in active service should be eligible for the post.

6. The post of Commander-in-Chief of the National Land, Naval and Air Forces should be abolished and a separate supreme military organ set up in its place. The details should be determined separately.

7. The purpose of the circular telegrams to be issued by both sides, which had been drafted at Canton, is primarily to put an end to past complications. It does not mean that with the issue of the telegrams, either side should thereby abandon its responsibilities. Therefore, pending definite decision being reached by the Conference, both sides must continue to assume and discharge their respective responsibilities as heretofore. As to how we should serve the Party and the State hereafter, it is for the Conference to decide.

The points enumerated above cannot of course cover all of the questions now awaiting solution. They represent however some of the major problems; the rest may be brought up as the Conference proceeds.

As regards the restoration of personal freedom to Comrades Chu Cheng and Fang Cheng-wu and the lifting of the censorship of the press and telegrams so that absolute freedom in the expression of views may be assured,—to which you have already verbally agreed,—we earnestly hope you will carry these into effect as early as possible.

We have asked Messrs. Tsai Yuan-pei and Chang Chi to communicate to you our views, and hope that you will give them your kind consideration. (Signed): Wang Ching-wei, Sun Fo, C. C. Wu, Tsou Lu, Li Wen-fan and Eugene Chen."

President Chiang's Reply:

I have read and duly noted the contents of your letter handed to me by Messrs. Tsai Yuan-pei and Chang Chi.

The immediate task at present is the expression, in concrete and tangible form, of our spirit of unity and harmony in regard to foreign relations so that our international prestige may be enhanced and the aspirations of the people fulfilled. This I consider to be the most urgent task for the salvation of the Party and the State.

With regard to the various fundamental problems of the Party and the State,—as to how a sound solution may be achieved and a good foundation laid for the future so that the seeds of further trouble may not be sown,—these being essentially questions affecting domestic affairs may be discussed and threshed out at leisure with frankness and sincerity. In fact, during our recent meeting, at Shanghai, I have already had opportunity to elaborate this point to you.

In order to facilitate discussions and consultations with you at Shanghai, I have requested comrades Shih-tseng (Li Shih-tseng), Ching-kiang (Chang Ching-kiang), Fu-chuan (Chang Chi), Chieh-min (Tsai Yuan-pei), and Cheng-ju (Chen Ming-shu) to consult with you at Shanghai. I have also requested Mr. Chien-tang (Mr. Hu Han-min) to take part in the consultations.

I earnestly hope that you will appreciate the difficulties of the State and speedily reach an agreement with Mr. Li Shih-tseng and other comrades; and that after such agreement, you will immediately come to the Capital to jointly face the national crisis. I beg also to request you to notify me by wire of the date of your coming.

As to myself and other comrades in the Capital, we had originally intended to come to Shanghai in order to meet and confer with you as well as to welcome you to the Capital. The urgency of the diplomatic situation has however rendered it impossible for us to leave now. As regards views which I may have left unexpressed in this letter, I have requested Messrs. Tsai and Chang to communicate with you personally. I hope that you will give them your kind consideration and communicate them to Mr. Chien-tang (Hu Han-min).—(Signed) Chiang Kai-shek.

The Canton delegation has made its position on foreign policy perfectly clear in a statement signed by all the principal delegates. The delegation is expressing itself deeply grateful for the championship of China's cause by the League of Nations. It refers to the Japanese invasion of Manchuria as an unwarranted act constituting a flagrant encroachment on China's territorial integrity, a violation of the League covenant and the Pact of Paris.

This is precisely the attitude of Nanking. It is understood a foremost point in the Canton delegation's program is the establishment of a foreign relations committee including some Canton representatives in order that the country may be absolutely unified in foreign affairs, especially for dealing with the Manchurian problem. In fact it is openly stated in Shanghai this week that the National Government's next Foreign Minister in succession to Dr. C. T. Wang may be called from the ranks of the Canton delegation.

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Hongkong, Oct. 19—Interviewed on his departure for Shanghai yesterday morning, Mr. Wang Ching-wei, head of the Canton peace delegation, stated that this present mission recalled his hazadous visit to Peking twenty years ago when armed with bombs, he was entrusted with an important Kuomintang mission. He was then confident of success, because he was fully backed by the Tungminghui. Now, he said, he possessed even stronger determination and confidence for the success of his mission for constitutional reform and overthrow of dictatorship, as he was going with the full support of Canton Kuomingtang Executive Committee. Although, possessing no bombs, he continued, he was willing to devote his life energy for the work of peace of China which is the best and only way of solving the internal strife and of resisting foreign aggressions.

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Canton, Oct. 22.—In addition to Messrs. Wang Ching-wei, C. C. Wu, Sun Fo, Li Wen-fan and Chow Lu, Mr. Eugene Chen was formally appointed delegate to the Shanghai peace conference between Nanking and Canton representatives at an extraordinary session of Canton Kuomintang Executive Committee today. It is understood that Mr. Chen has been authorised to take leading part in the discussion of sino-foreign relations particularly the Manchurian affair.

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Canton, Oct. 26.—According to a report circulated by the *Central Press* here, Hsiao Fu-cheng, a leading member of the Canton Opposition Government, interviewed today, declared that he favored the formation of a joint Foreign Affairs Commission of Nanking and Canton in order to consolidate China's diplomatic stand and cope effectively with the present urgent international situation. Mr. Hsiao added that the Canton Government and various public bodies here were strongly in favor of the appointment of Mr. Eugene Chen as chairman of the Commission. He said that Canton delegates in Shanghai will proceed to Nanking and take part in the Nanking Government as soon as all impending questions are settled.

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Hongkong, Oct. 27 (6. p.m.)—Mr. Koo Ying-feng, a leading member of Canton Government Council who was

principally responsible for the recent split of Canton with the Nanking Government, is reported to be critically ill, being suffering from blood poison. He is now confined at a hospital at Canton under care of his doctors and is expected to remain there for sometime pending full recovery.

Apprehensive of mob attacks, eighty Japanese residents in Canton consisting mainly of women and children evacuated that city this morning and arrived at Hongkong to-day aboard the s.s. *Fatshan*. It is understood that they will leave here for Japan tomorrow by the *Chichibu Maru*.

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South China Morning Post, (Oct. 15)—With the confirmation of Mr. Hu Han-min's departure from Nanking to Shanghai and the receipt of second telegram from Gen. Chiang Kai-shek urging Messrs. Wang Ching-wei, Sun Fo, and Li Wen-fan to proceed immediately to the North to participate in the Unification Conference, it is generally expected in Canton that very soon all members of the Executive and Supervisory Committees of 1st, 2nd and 3rd Kuomintang Congresses will be invited to return to administer the Central Government....Messrs. Tsai Yuan-pei and Chang Chi, the two Nanking envoys, will accompany the Canton delegates to Shanghai this week-end....Canton reports state that Gen. Chiang Kai-shek is withdrawing his various divisions from Kiangsi and Fukien to Central China, concentrating at Hankow and Wuchang, while parts of the detachments will be sent to Honan and North China; large consignments of arms and ammunition have been dispatched to Honan....Gen. Chan Chai-tong has received a telegram from Nanking Government, requesting him to take over the bandit suppression work in Southern Hunan and Kiangsi following transfer of Gen. Chen Ming-shu's 19th Route Command regiments to take over the garrison duties in Shanghai and Nanking.

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South China Morning Post, (Oct. 16)—In view of the impending departure of Canton peace delegates for Shanghai during the weekend, members of the Canton Government Council held a special meeting yesterday to consider the policy of the Southern Government at the coming conference at Nanking....Mr. Tsai Yuan-pei, one of the Nanking envoys in Canton, interviewed, stated that prospects of the Unification Conference were very good and that the Canton Kuomintang leaders were to attend the Conference not only to discuss peace within the country but also to work out a considered policy of the Chinese Government as regards Japanese aggression in Manchuria....Mr. Hu Han-min has sent a telegram from Shanghai to Canton inviting Messrs. Wang Ching-wei, Sun Fo, Li Wan-fan and Koo Ying-fan to Shanghai, the invitation having been officially accepted by Canton leaders....later telegrams from Canton announced that the Canton delegation consisting of Messrs. Wang Ching-wei, Sun Fo, C. C. Wu and Li Wen-fan decided to leave for Shanghai Oct. 8 to attend the peace parley there, but Gen. Chiang Kai-shek's resignation is still demanded.... Gens. Li Chung-jen and Huang Shao-hsiung, two important Kiangsi leaders, who visited Hongkong during the past few days, have returned to Canton.

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South China Morning Post, (Oct. 17)—The Canton peace delegation consisting of Messrs. Wang Ching-wei, C. C. Wu, Sun Fo and Li Wen-fan who arrived at Hongkong today by train will leave tomorrow for Shanghai aboard the *President Madison* and will be accompanied by the Nanking envoys Messrs. Tsai Yuen-pei and Chang Chi....While the Canton leaders are still insisting on the modification of the military powers of Gen. Chiang Kai-shek, they have all expressed a strong desire to unite the country and this sentiment of patriotism will mean a great assistance to the coming Shanghai conference, it is believed in Canton....Gens. Li Chung-jen, Chan Chai-tong and other members of Canton State Council will remain in Canton to administer the military and political affairs and also to undertake the duty of bandit-suppression in Kiangsi after the withdrawal of Gen. Chen Ming-shu's regiments to Shanghai and Nanking; certain Cantonese regiments now concentrating at Tayuling mountains in northern Kwangtung will shortly be dispatched to Kiangsi for garrison purposes, according to Canton telegrams.

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South China Morning Post, (Oct. 19)—The Canton peace delegation consisting of Messrs. Wang Ching-wei, Sun Fo, C. C. Wu, and Li Wen-fan, accompanied by members of their families and a large number of subordinates, who arrived at Hongkong last Saturday by a special train of the Canton-Kowloon Railway, sailed from Hongkong for Shanghai by the *President Madison* yesterday morning....Prior to his depature, Mr. Wang Ching-wei in an interview with the press here said that on an important occasion such as the present one he could not but recall vivid reminiscences of twenty years ago when he was commissioned by the Tungminghui and armed with bombs to proceed to Peking to settle an affair of state with the then reigning Prince Regent; he was confident of the mission then because of the moral support of the Tungminghui; in the present mission to Nanking, a similar confidence was strengthened by the unanimous support of the Canton Kuomintang Executive Committee assembled in Extraordinary Session; continuing, he said although he carried no arms to Nanking today, he was fully confident of the success of his mission and the accomplishment of constitutional reform and abolition of dictatorship, as he was going there in the highest spirit to find peace for China which is the best means of settling strife within and of resisting foreign invasion from without; further, he stated to-day he and his colleagues were going to the peace conference, where the pen is mightier than the bomb; he could not but recall that in certain peace conferences in Chinese history, arms were actually used; he particularly recalled that both the late revolutionary leader Tsai Ao and he himself had a narrow escape at the Peking conference with the late Yuan Shih-kai, while his colleague, Mr. Hu Han-min had the same painful experience at the Canton peace conference held at the Naval department in 1923; concluding, Mr. Wang asserted that never for a moment, had he contemplated the use of arms to force realization of his political ends, least so at a peace conference and he sincerely hoped that others would not repeat the common error recorded in Kuomintang history....On the invitation of General Chiang Kai-shek, Mr. Eugene Chen accompanied by his wife also left yesterday with the Canton peace mission to Shanghai....In view of the impending peace conference, Gen. Chan Chai-tong is now diverting his attention to bandit suppression and various armies under his command have been alloted new garrison districts in Kwangtung; the Headquarters of the First Group Army Corps are also reported to be prepared to dispatch troops to Southern Kiangsi to replace the 19th Route command units which are now being transferred to Shanghai and Nanking for garrison duties.

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South China Morning Post, (Oct. 20)—Gen. Chan Chai-tong, Commander of Canton First Group Army Corps, has received a telegram from Gen. Chen Ming-shu, requesting him to dispatch troops to southern Kiangsi to take over the territory evacuated by regiments of his 19th Route Command; the telegram stated that Gens. Chiang Kwan-nai and Tsai Ting-kai, two divisional commanders of the command, have arrived at Nanking, but their troops were still awaiting steamers from Nanchang, Kwanchow and Kian, for transportation down river; certain regiments of this Command would remain in Kian and would not leave until the arrival of the Cantonese regiments under Gen. Chan Chai-tong the message said....Another report from Canton stated that Gen. Chen Ming-shu has decided to recommend Gen. Chiang Kwang-nai as Garrison Commander of Shanghai and Woosung and Gen. Tsai Ting-kai as Garrison Commander for the Tsin-Pu Line, while he himself would act as Garrison Commander of Nanking only....Gen. Hseung Hon-ping's 2nd army of Canton First Group Army Corps is taking up the garrisoning of the East River regions.

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South China Morning Post, (Oct. 21)—Canton report states during the absence of Mr. Eugene Chen from Canton, Mr. Tao Li-chien, chief of Canton Political Affairs Department, will be in charge of Canton Foreign Affairs Ministry, it is understood that Mr. Chen would participate in the discussion of the peace Conference in Shanghai and of the Sino-Foreign affairs, particularly the Manchurian situation....Gen. Li Chung-jen, leader of Kwangsi Faction, has appointed Mr. Ho Man-wan as his representative in the Shanghai peace negotiations and also to interview Gen. Li Chai-sum who recently arrived at Shanghai from Nanking regarding the position of Kwangsi after unification.

"Japan's Five Points"

BY C. Y. W. MENG 孟昭彝

FIVE fundamental points which Japan insists that China must recognize in principle before Japanese troops are ordered to withdraw to the railway zone were submitted by the Japanese delegate to M. Briand, President of the League Council, to Sir Eric Drummond, secretary.general of the League, and to Col. Henry L. Stimson, America Secretary of State. These five points were reported in authoritative quarters in Tokyo to be as follows:

(1) Japan and China mutually pledge themselves to non-aggression and guarantee each other's territorial integrity.

(2) All forms of anti-Japanese activities in China, including the boycott to be called off permanently.

(3) Assurances to be given for the safety of Japanese lives and property in China.

(4) Payment for railways built in Manchuria with Japanese money and recognition of existing agreements for railway construction in Manchuria.

(5) Recognition of existing treaty rights including the question of Japan land leases in Manchuria.

Reuter further understands that Mr. Yoshizawa has received instruction from Tokyo to accept M. Briand's suggestion. That is, Japan should forego the clause insisting on China's recognition of Japanese railway rights as a preliminary step to the opening of negotiations.

It is further learned that the situation in Geneva has been aggravated by the information which has yet to be confirmed officially that Col. Henry L. Stimson, the American Secretary of State, is supporting the demand of the Japanese that no date be fixed for the withdrawal of Japanese troops from Chinese territory and into the zone of the South Manchuria Railway, while the Japanese would withdraw their objection to the American participation in the Council's deliberations.

Chinese Reply to Five Points

Let us now study the Japanese "Five Points."

(1) As to the first point, it is rather a point for the Japanese to observe. The Chinese foreign policy, briefly speaking, is to effect the cancellation of the unequal treaties, abolition of all special privileges that the foreign nationals have been enjoying in China, such as extrality, etc., and to conclude new treaties based on the principles of equality and reciprocity. China has not the slightest intention of getting a single inch of territory from any country. What China wants is justice and fair dealing, and what the Chinese are doing is to take back the rights which China granted about three quarters of a century ago. This may be called China's "Monroe Doctrine." That is to say China has not any idea of encroaching upon the territory of others, but China expects that no one will encroach upon her territory. So it is up to the Japanese to remember that the Japanese should hereafter never invade Chinese territory.

(2) The Chinese have always entertained a friendly feeling toward the Japanese. This can be verified by the fact that so long as the Japanese do no wrong to China, the Chinese never declare a boycott on Japanese goods. This fact shows that the Chinese are not anti-Japanese, as alleged by the Japanese. The boycott of Japanese goods is carried out always following Japanese unfriendly action in China. It is enforced in order to awaken the Japanese masses to their wrong policy and action towards her neighboring country. As soon as the Japanese realize their wrong and change their action, the boycott is automatically dropped. The Japanese should never protest the illegality of the Chinese boycott movement in different parts of China. The Japanese are reminded that they themselves also declared a boycott on foreign goods when they attempted to do away with their unequal treaties and extrality a few decades ago.

(3) As to the third point, one example is sufficient to answer the Japanese point in the affirmative. Since the Wampaoshan affair up to the present when the Chinese national feeling runs very high, no Japanese are ever in danger. This is sufficient proof that the Chinese government does give adequate protection to Japanese lives and properties. The National Government has given order after order that foreign lives and properties must be protected, and such orders have been strictly carried out. The object of the Japanese in putting in this point is rather for "face-saving."

What Are Japanese Rights?

As to the 4th and 5th points, it is necessary to study for a while "What Are the Japanese Rights and What Are the Outstanding Problems between China and Japan?" Let us now study the Japanese alleged rights in China and the outstanding problems.

(1) *Lease of Port Arthur and Dairen:* The lease was based on the Sino-Russian Treaty of 1899, March 27; the duration was for 25 years. That is, the lease expired on March 26, 1923, eight years ago. In the notorious 21 Demands, the Japanese forced China to prolong the lease for 99 years. But as the 21 Demands were forced upon us under duress, without being duly ratified by the Chinese parliament, they are never recognized as valid by theChinese. Further, China had repeatedly announced at the Paris and Washington Conferences that the Chinese never recognized the 21 Demands. In 1923, China formally notified the Japanese government that the Chinese nation never recognized the 21 Demands. That is to say, there is no possibility for the Japanese to claim the prolongation of the lease of Port Author and Dairen as one of the outstanding problems, nor as one of the their treaty rights.

(2) *The South Manchuria Railway*:—It was based on the Sino--Russian Treaty relative to the Chinese Eastern Railway. According to the said Treaty, 30 years after the opening of the line, China could redeem the railway by paying the cost; 80 years after the opening China could take back the Railway without any payment. The line was started in 1908. That is, in 1938 China could redeem the railway. The Japanese might claim that the 21 Demands provided for the prolongation of the terms, but our answer is the same as above. That is to say, this is also not one of the outstanding problems nor one of the Japanese treaty rights.

(3) *Antung-Mukden Railway:* — According to the Agreement of 1905 which provided that the Japanese could manage the Antung-Mukden Railway, the term should have expired in 1923. That is 8 years ago. If the Japanese resort to the provision in the 21 Demands, our answer is the same as above.

(4) *Kirin-Changchun Railway:*—According to the Treaties made in 1907, 1908 and 1909, China borrowed from Japan a sum of $2,150,000 for the construction of the said railway under Chinese management. But the 21 Demands provided for the revision of the said treaty. In 1917, the Peking illegal government borrowed a further sum of $6,500,000 yen from the South Manchurian Railway Company, providing that the sum should be refunded in 30 years. Pending the payment, the sum should be refunded in 30 years. Pending the payment, the management of the Kirin-Changchun railway is vested in the hands of the South Manchuria Railway Company. As the 21 Demands are invalid, and as the agreements made by the illegal government were unconstitutional, and not recognized by the Chinese, there is also no possibility for the Japanese to claim this as one of the outstanding problems nor as one of their treaty rights.

(5) *Stationing of Troops in Manchuria;*—The agreements providing for the stationing of the Japanese troops in the Chinese Eastern Provinces were largely made between Russia and Japan, to which China was not a party. The Japanese might claim that the stationing of troops in Manchuria is a treaty right, apprarently basing their contention on Article I of Additional Articles of the 1905 Portsmouth Treaty and the subsequent Sino-Japanese treaty of Peking Dec. 22, 1905. But we wish to point out that Article II of the additional Agreement to the foregoing treaty of Peking stipulates that "The Imperial Japanese Government, in the event of Russia agreeing to the withdrawal of her railway guards or in case other appropriate measures as agreed between China and Russia, shall consent to take similar steps accordingly". Since Russian guards have all been withdrawn and the Chinese troops have undertaken the protection of the Chinese Eastern Railway the continuance of the Japanese troops in Manchuria is absolutely without any "legal basis or treaty sanction".

In other words, what the Japanese ciaim to be their treaty rights or railway construction interests were those provided either in the 21 Demands or the secret agreement made between the Japanese and the illegal government in the Peking regime which the Chinese never recognize as valid or else have no basis at all. It is hoped therefore the Japanese will not bring up these irrelevant issues to furthers muddle the Sino-Japanese relations.

What Are the Outstanding Problems?

The 6th point of the Resolution of the League Council recommends that China and Japan should establish a conciliation committee to decide the outstanding problems

concerned. What are the Sino-Japanese outstanding problems?

To the Chinese mind, what are known as the outstanding problems are as follows:-

(1) As by Treaty, the lease of Port Arthur and Dairen has already expired, negotiations shall be started immediately with the Japanese authorities for taking over the administration of Port Arthur and Dairen.

(2) As by Treaty, the right of the Japanese to manage the Antung-Mukden Railway already expired in 1923, negotiations should be started immediately with the Japanese authorities for taking back complete control of the management of the railway.

(3) Subject to the payment by the Chinese government, negotiations should be started with the Japanese authorities immediately for taking back the administration of the Kirin-Changchun Railway from the hands of the South Manchuria Railway Company.

(4) As the Russian troops have already withdrawn and as the Chinese have taken appropriate measures, negotiations should be started immediately with the Japanese authorities for the withdrawal of the Japanese troops and police, in accordance with the Article II of the Sino-Japanese Treaty of Peking, Dec. 22, 1905.

(5) Negotiations should be started with the Japanese authorities regarding the Japanese alleged rights in the administration and policing of the territories around the railway zones, which are neither provided for in the treaties nor have any basis.

The Japanese will notice that we do not suggest that the negotiations be started immediately with the Japanese authorities for taking back the administration of the South Manchuria Railway, because we know that the said treaty has not yet expired, and the Japanese can have their hands on the administration of the railway for eight more years from now. The Japanese rights in the administration of the South Manchuria Railway for 8 more years together with the rights in opening mines in Cheefoo and to engage in the lumber trade along the Yalu River, are the only Japanese rights provided in the treaties that could be spoken of. But even as to these, the Chinese have a perfect right to take them back.

Nanking, October 25, 1931.

Institute Delegates Visit Hangchow

Although because of the disturbed political situation in the Far East, the "Hangchow" Conference is being held at Shanghai, practically the entire membership of the Institute of Pacific Relations proceeded to Hangchow, Saturday, October 25. Dr. Hu Shih made an address on the place of Hangchow in Chinese literature, after which the delegates in a body visited the principal temples, monuments and villas of the city.

The party was taken to Hangchow on a special train leaving Shanghai Saturday afternoon and arrived in time for a banquet given by the provincial and municipal authorities, at which the chairman of the Provincial Government and the Mayor of Hangchow were hosts. On their arrival at Hangchow, Mayer Tchou and representatives of the provincial government and the Chamber of Commerce met their guests at the railway station and escorted them to the New Hotel and the Lakeview Hotel where all were comfortably accommodated. Chairman Chang Nan-hsien of the Provincial Government presided at the dinner, and made a cordial address of welcome, referring particularly to the timeliness of the Institute's efforts to procure intelligent discussion of important subjects now engaging their attention.

Western Union and R. C. A. Coordinate Services

A working arrangement for the coordination of the landlines and radio, which is calculated to greatly strengthen the lines of quick communication between the United States and 30 other nations was recently announced by the Western Union Telegraph Company and R. C. A. Communications, Inc. Through this arrangement, R. C. A. Communications, Inc. gains the use of terminal facilities for the collection and distribution of its traffic which it has heretofore lacked and Western Union will gain in having available RCA radio circuits to 30 countries in Europe, Africa, Central and South America and the West Indies to augment its cables in handling the vast traffic for those regions which it collects through its 25,000 offices.

Huge Shipment of Soviet Russian Oil Arrives in Shanghai

Three million gallons of Soviet Russian kerosine were brought to Shanghai beginning of the week on the large motor tankship *Norvinn*. The oil was shipped from Batoum on the Black Sea on September 22 and is consigned to the Kwang Wha Petroleum Co., Ltd., who it is understood are to be appointed distributors for Soviet Oil in 15 provinces in China. According to Mr. Libanoff, general manager of the Soyuzneft (the abbreviated name by which the Soviet Oil Trust is known), in an interview in *The China Press* recently stated that the shipment which has just arrived has been bought by the Kwang Wha Co. outright as principals and they will sell it for their own account and risk.

This is the first shipment of Soviet Oil to arrive here and Mr. Libanoff in his interview stated: "The coming of Soyuzneft signals the appearance in the market of an entirely independent concern. The world trusts will have to put up with this fact and take it into consideration in their future activities. The activities of the Soyuzneft on the Chinese market will be guided just as they are in the markets of all other countries of the world, by sound commercial principles and by such customs of the trade as already exist in this particular market, i.e. its appearance will not be met by the world oil trusts with a price fight. Indeed I fail to see any sense in such a fight, even if it takes place, as evidently none of the trusts have any doubt in the ultimate fruitlessness of such a measure. They know well enough that this could not force Soyuzneft out from the market. Soyuzneft is sufficiently strong to withstand any such attempt and will not withdraw from the Chinese market."

Russian Wheat Arrives in Shanghai

A large quantity of Soviet Russian wheat arrived in Shanghai beginning of this week on the s. s. *Dagfred* from Berdiansk in the Black Sea. The shipment consisted of 7,000 tons. The arrival of this wheat marks the introduction of Soviet Russia into the China wheat market and is being watched in many quarters, in some with interest—in others with apprehension. This consignment is the first of three totalling 21,000 tons booked by the Great China Co., Ltd., in mid-September and is destined for flour mills in the Shanghai area.

Gandhi Says Indian Delegates Display Insufficient Trust

During the discussion on the proposed Indian Federal Court at the Round Table Federal Structure Committee in London October 23, Mr. Gandhi said he thought that the speeches of the Indian delegates displayed insufficient trust in themselves and in the ability of an Indian National Goverenment to conduct its affairs impartially. Mr. Gandhi differed entirely from the view that a constitution would give anything more than the framework of a federal court and define its jurisdiction, and to start with provide judges to serve for a fixed period. The fundamental belief of the Congress was that India should have its own privy council. It based its policy on trust and confidence, and believed that the supreme authority to be established in India should be responsible for the appointing of judges and for other matters at present belonging to the Crown.

Japanese Ship Young Marshal's Effects from Mukden to Tientsin

It was officially announced at Nanking October 22 that Marshal Chang Hsueh-liang had been notified by the Japanese that 417 cases of his household and personal effects had arrived at Tangku, Tientsin, from Dairen. Previously the Japanese had notified him that they were forwarding his effects since he would not be allowed to return to Mukden. *Kuo Min* says this outrageous insult—in addition to the looting of the houses of other officials as well as the Shenyang(Mukden) Arsenal—which have already been reported in the press—is being brought to the attention of the League of Nations at Geneva.

A *Reuter* message stated that officials in close touch with the Young Marshal emphatically deny the Japanese reports that the Young Marshal's effects were forwarded at his own request.

The Chinese Language in Fifty Ten-Minute Lessons!

BY PROF. W. A. SCHARFFENBERG

Lesson No. XLII

A SYSTEMATIC COURSE OF STUDY

The Home Study Institute after five years of experimental work, has prepared a systematic five year course of study in the Chinese language. The object of the course is to give all students a thorough knowledge in the elements of the language. The work of the first year is required of all. After the foundation has been laid the aim is to give as much elasticity and choice to each student as possible. Educators, doctors, nurses, missionaries, business men, military and consular officers, and housekeepers are thus able to choose courses during the second, third, fourth, and fifth years which will be of the greatest practical value to them in their daily work. In order to assure steady progress being made, irrespective of professions, a certain amount of required work is expected of all students throughout the five year course.

Students are encouraged to use the direct method in acquiring the language. The student is taught to speak Chinese from the very first day, and not until he has grasped the sound, the tone, and the meaning of the character does he attempt to study the written form of the character.

A series of easy conversational reading lessons have been prepared for the first year. These lessons become increasingly more difficult and by the time the student has completed the fifth year, he has been introduced to the classics.

Thus the student is first taught to hear, then to speak, then to read and lastly to write. The reading is generally several weeks behind the oral work and the writing is always several weeks behind the reading work.

(To be Continued)

CHARACTER STUDY

4 戰 206

Character No. 206 (戰4)

Terrified, alarmed, to fight,
To contend, to join in battle.

Pronounced (I.P.S) tsan (R.) chan

The radical of this character is 口. The idea of two 口口 mouths represent a quarrel and it is said that the lower right hand part of character refers to an attack with some tool such as a 單 shovel. With the addition of 戈 a spear, it refers to a fight, a battle, or war.

1 爭 207

Character No. 207 (爭1)

To contest, to wrangle, to quarrel.
Pronounced (I.P.S.) tzēn (R.) cheng

The upper part 爪 refers to the claws of animals, the talons of birds, fingers, to scratch, to hold in the claws or fingers of the hand. The lower part 爭 represents a hand that is holding a stick, the two hands are pulling the stick in opposite directions. Hence the idea of a struggle, to contend, to quarrel.

4 敗 208

Character No. 208 (敗4)

To suffer defeat, to spoil, to ruin, to destroy.
Pronounced pai

The combination of 貝 precious seashells and 攵 to tap or rap. It is very evident that if the precious seashells are constantly tapped as with a hammer that they will be completely ruined. Hence the idea of to spoil, or destroy.

4 勝 209

4 治 210

Character No. 209 (勝4)

To conquer, to excel.
Pronounced (I.P.S.) ʃən (R.) sheng

The radical is 力 meaning strength. The phonetic 朕 refers to a plank, a fire, and to curve. The idea expressed is the bending of a plank thru means of fire and the hands of the workers. The fire and strength of the workmen overcomes and the plank begins to bend. Hence the idea of to conquer.

Character No. 210 (治4)

To manage, to govern, to rule to cure.
Pronounced (I.P.S.) tʂ (R.) chih'

This character is used in two different ways, in one it refers to the government that controls, manages, rules, or governs the people; and in another it has reference to healing powers of a doctor, of medicine, etc. Very frequently used, and generally in combination with another character.

VOCABULARY LIST

651.	打戰	— To fight as between nations.
652.	打架	— To fight as between individuals.
653.	戰勝	— To win a battle.
654.	戰敗	— To lose a battle.
655.	請戰	— Come on, fight!
656.	戰書	— A declaration of war.
657.	爭戰	— To wrangle, to contest, a battle.
658.	戰法	— Military tactics.
659.	爭氣	— The spirit of contest.
660.	爭先	— To struggle to be first.
661.	敗子	— A spendthrift,
662.	敗家	— A defeated or bankrupt home.
663.	事敗了	— The thing has failed.
664.	勝敗不分	— A drawn battle.
665.	打敗了	— Defeated.
666.	打勝了	— Victorious.
667.	勝國	— A conquered nation.
668.	得勝	— To be victorious.
669.	勝過	— To overcome.
670.	政治	— The government.
671.	治國	— To rule or govern a country.
672.	治家	— To govern one's family.
673.	治好了	— Cured, healed.
674.	開戰	— To open battle.

SENTENCE WORK

444.	兩個人打架不好	— For two men to fight is bad.
445.	兩個國打戰也不好	— For two countries to fight is also bad.
446.	有人說中國要打日本	— Some say China wants to attack Japan.
447.	因爲日本已經打中國	— Because Japan has already attacked China.
448.	政府的戰書快好了	— The declaration of war by the government will soon be ready.
449.	中國打敗日本就好了	— If China defeats Japan all will be well.
450.	若是日本打勝了中國就不好了	— If Japan is victorious it will not be so well.
451.	打戰的時候人不客氣	— In time of war men are not courteous.
452	哥哥弟弟打架就不客氣	— When two brothers fight they are not polite.
453	兩個國打戰也是那樣	— When two countries fight it is the same way.
454	中國同日本不應當開戰	— China and Japan should not go to war.

READING LESSON No. XVII

念 課

第十七課 學堂 (中)

我們的學堂 叫上海華叫學堂 在我們的學堂裏 處處地方的先生都有 有的教員可以教處處地方的話 還可以教本地話在我們的學堂裏 各國的學生都有 有美國人英國人德國人 法國人 還有一些別國的人 本學堂的教員教法是第一教的時候 都是用比方 不用一句英文 先要學生聽 後要學生說 然後再叫學生看書寫字 所以學生們學了一年 就可以會朋友 買東西 還可以在各處地方做事

Awakening of China's Proletarians

BY PAUL K. WHANG (汪仲芳)

THE grave happenings in Manchuria have also aroused the feeling of my ricksha man, Ah-san, who, on my way going to and coming back from the office every day, has no longer kept his usual silence in exerting his energy to pull the ricksha, but has fired at me a volley of questions pertaining to the League of Nations, the Kellogg Anti-War Pact, and other diplomatic terms which no man of little intelligence can be expected to understand. To my great astonishment, he knows quite well about the Manchurian situation, and more than what I have told him. Ah-san certainly can not get anything from the newspapers, because he can not even read his master's name. Then from what source has he drawn all the informations? One day, during the business hours, I was in need of his service and found my ricksha unattended. In the lane close by my office building, I found him among a crowd of chauffeurs and private ricksha men, who, instead of playing their usual card and dice games while their masters were away in the office, were noisily discussing the Manchurian question. My discovery has satisfied my curiosity as to the sudden enlightenment of my ricksha man. During these hectic days, in the morning time, I have frequently seen small groups of chauffeurs and private ricksha men on the streets either reading the newspapers or discussing some important subjects. I have been told that since the Manchurian invasion the circulation of the *Eastern Times*, a local daily featured with head lines in big red letters, has been increased enormously, and that through its cheap price (six coppers a copy), this paper has become very popular among the labor class.

In my recent weekend trip to Dongtingshan, a small and secluded town in the Lake Tai district, about 15 miles from Soochow, I have observed many instances which are worthy of being related here. On arrival, my friend took me to a temple where a public meeting under the leadership of a country squire was in session, in which speeches were delivered by the leaders of the community to urge the people to boycott Japanese goods. In winding up the meeting, the squire told his audience, "As a matter of fact, we, the country people, are more patriotic than our city folks, because we are always using and wearing native products; and in this instance, our city folks should follow our example." On the streets, I found the walls all pasted with posters of different slogans and colors. In the tea-houses, the social centers of the country people, the people, instead of listening to the story-tellers or playing chess, were eagerly reading the latest newspapers and telling others who can not read and write as to new developments in the Manchurian situation. Though my stay at this typical Chinese country town was short, left with an impression that the country people have at last emerged from their state of ignorance and backwardness, and have widened their scope of interest from the immediate surroundings to the whole nation.

Bandits Also Become Patriotic

From the newspapers, we have learned that the feeling prevailing among the North Eastern army is very tense, and that the rank and file of the military men all over the country have vigorously attacked the policy of non-resistance. The bandits in Manchuria have been willing to quit their outlawry so as to be able to serve their country in a war against China's common enemy, and their leaders in a joint letter to the National government as reported in the Chinese press have assured the government officials of their readiness to be the vanguards of the National army to recover China's lost territories. Their activities in the Japanese occupied zone have already given the Japanese military men some causes of anxiety. The Japanese military authorities have been reported as using money and munitions to bribe the bandits and instigate them to create disturbances in the Chinese administered areas, but their efforts have been so far to no purpose. One of the bandit leaders, under the title of "Small White Dragon", after receiving Japanese money and munitions, has made several attacks on the Japanese army, instead of carrying out the latter's nefarious motives. Even the communists through their leaders Chu and Mao have notified the National government of their willingness to be incorporated in the national army to fight for China's existence.

Thus from what I have observed personally in the city as well as in the country, coupled with what I have read in the newspapers, I can not help concluding that the "spirit of the people" is not lacking among the laborers, the peasants, and the soldiers, these three classes constituting the proletarians of Chinese population. Their awakening is entirely a new phenomena, which is probably the result of popular movements and agitations of the past decade. We have been frequently told by our aged people that during the Sino-Japanese War in 1894, the Chinese people, except the mandarins, paid little attention to the conflict and the defeat of the Chinese army and navy gave no concern to the people, and that in some inland provinces, the people were even not aware of the occurrence of a war. Even as late as the year 1915, when Japan forced upon China the infamous Twenty-one Demands, the great mass of Chinese people, except the bourgeoisie led by the students making some feeble agitation, was still in a dormant state. China was therefore fitly stigmatized by foreign observers as a sleeping lion, which was absolutely in a hopeless and helpless state in face of foreign aggrandizement.

China can not be saved from the danger of foreign aggrandizement, unless her people can cultivate a spirit which will make them conscious as to the duty of serving their country. About seventy years ago, Japan was in the same pitiful state as China is today. A British fleet bombarded Kagoshima in punishment for the murder of an Englishman in Japan in 1863. The Allied fleets of Great Britain, France, Holland and the United States demolished the forts guarding the strait of Shimonoseki in 1865, which the Japanese were determined to keep closed. After suffering from repeated reverses at foreign hands, the Japanese people finally woke up and got together to build a new country which now becomes the lord of the Pacific. The task of building up a strong and unified Japan was not stupendous, because the Empire covers only 175,000sq. mi. and her population, even at the present figure, is not more than 65,000,000. In comparing with Japan, China's task with an area of 4,000,000 sq. mi. and a population of 4,000,000,000 souls, will be at least proportionally harder. During the Manchu regime, China was further handicapped by the despotic government which nipped all the popular movements in the bud and prohibited the people to discuss national affairs publicly. Thus after the Opium War in 1842, humiliation after humiliation did not do much good to the Chinese people. The Revolution of 1911 was not bloody and long enough to arouse the feeling of the people, and the huge mass was then unaware of the change in the form of government. Since then, the public opinion has been gradually gaining force and lent its weight upon the government policy. The first students' movement in 1919 successfully ousted three "traitors" from the cabinet of the defunct Peking government. Prompted by this success, the students also co-operated with the business men to fight for the returning of Shantung in the Peace Conference of Versailles in 1919 and the Washington Conference in 1921. The proletarians, however, did not participate in the earlier movements, but labor agitations already became frequent. The success of the Nationalist force was partially due to the sympathetic activities of the working people who in many instances served as the Vanguards of the Nationalist army. With the establishment of the National government, the status of the labor and peasant unions has been legally recognized and legislation has been passed to ameliorate the lot of the working people's. In the last People Conference, the laborers had their own delegates to participate in the drafting of the national constitution.

Growth of Popular Movements

The above brief account will give us some idea as to the growth of popular movements. Through these movements, the "spirit of the people" has been gradually cultivated. We must acknowledge that at present only the people of the provinces along the Yangtsze river and the coast have shown this spirit, while the people in the inland provinces may still look at the present crisis with no concern. It is true that the cultivation of this spirit among the people all over the country must necessarily be a slow development in view of the lack of popular education which will reduce the percentage of illiterarcy among the population, and the lack of transportation and communication facilities which can bring the inhabitants of the remote provinces into close contact with those of more progressive provinces. But in spite of these barriers, the development has been very much quickened by the frequent sword-flourishing of our neighboring Empire. At the present crisis, we have already noticed the vast improvement in the spirit of our people in comparison with that of 1915, so that we have good reasons to thank Japan for her agressive policy, which has always served as a stimulus to awaken our people. In view of the past improvement. I dare predict that the day is not far off when the spirit of our people will be developed into a full state. When that time comes, the Chinese people, bourgeoisie and proletarians, will conscientiously rise up to build up a popular government which will teach a good lesson to their naughty child for his past misdeeds.

Shanghai, October 27, 1931.

Leaders of I.P.R. Conference Explain Objects in Opening Speeches

Below are given the texts of the speeches made at the opening of the Institute of Pacific Relation Conference in Shanghai, October 21.

Text of Speech by Jerome D. Greene, Chairman of the Pacific Council

ON behalf of the Pacific Council and of the entire membership of this conference I offer my heartiest thanks for the welcome we have received. The local preparations for a meeting of this character are inevitably long and laborious and they make a large demand on the time, the energy and the goodwill of many persons. That this demand has been met so generously we may take not only as showing the characteristic hospitality of the Chinese people but also as a direct service of the highest value to the prime object of the Institute—the promotion of that friendly contact between members of the Pacific family of nations which we recognize as the only way to mutual sympathy and understanding.

In fact, Mr. President if an occasion of this kind can bring together from the various countries of the Pacific men and women of intelligence and understanding, in the mood of open-minded inquiry and patient study, their meeting is an assured success, whatever the problems for discussion may be. The formal agenda promote orderly thought on subjects chosen for their importance and urgency; and the resulting increase of knowledge is of great value. But I venture to assert that there are two by-products of even greater significance. The first is the gain in perspective as, perhaps for the first time, we are enabled to look at a problem through eyes other than our own.

Differences of view and conflicts of interest may remain when the discussion is over but opposing positions sincerely, frankly and courteously maintained inevitably create mutual respect, and an atmosphere as different as possible from that which, without such contact, results from long-range exchanges of partisan assertions. The second by-product is the help which co-operative study, as distinguished from a purely nationalistic approach to controversial subjects, gives to the present-day effort of all civilized nations to fix the habit of conciliation and conference as the alternative to the habit of war. Surely there is no good reason why national psychology should not follow individual psychology along the path which leads to reliance on the social mechanisms of law and judicial procedure as substitutes for private warfare. Such a change cannot come suddenly, for habits are formed by repeated experience; yet the tendency is already to be noted, and the conclusion of the Pact of Paris has put the signatories under a solemn obligation to promote it.

Laying Foundations

It is a curious and regrettable fact that men are much less hopeful, adventurous and determined in harnessing Nature to their purposes in the field of human relations than they are in the world of applied science. Yet these moral qualities, surely more than any other factor, account for the triumphs of modern engineering, as indeed they do for all scientific progress. Imagination, vision and the will to succeed have created the concepts of the new mathematical physics and won the triumphs of modern medicine. They have laid the foundation of great bridges through treacherous quicksands; they have made hearing and seeing around the world possible; and they have created machines for nearly every kind of labor. The fact that these things had not been done before was a challenge to do them rather than an excuse for not attempting them. On the other hand in the field of human relations, despite the manifest fact that the progress of civilization has been marked by the invention of such mechanisms as governments and courts, or, in the voluntary field, such devices as guilds, trade unions and chambers of commerce, each new advance or hopeful experiment is too often hindered or prevented by the unthinking acceptance of the statement that the thing has never been done and, therefore, never will be done; or that you cannot change human nature. Competition and the instinct for self-preservation, it is said, have always led to war and always will.

Such statements rely for their force on the specious fallacy that social engineering can work only by annihilating the forces of nature. Flood embankments, irrigation ditches and hydro-electric plants do not suspend the laws of rainfall or river-flow but merely direct them to harmless or useful ends. In individual relations laws and judicial procedure have not abolished selfish or predatory instincts; the latter work themselves out through courts or abitration instead of through private warfare, One may well ask whether the skepticism found in all countries but most unhappily expressed by the attitude of my own, as to whether the League of Nations can be a safe and effective agency for international co-operation and not become the tool of malign forces, if not due after all, to a lack of courage and self-confidence rather than to wise patriotism. If the countries which belong to the League and those which do not, all equally desiring peace, should lend the whole force of their infiuence and resourcefulness to making it function, in the spirit of the engineer or the laboratory worker who allows no difficulty or failure to daunt him, one cannot but believe that the League would become the effective instrument of the people of the world for the complete abandonment of war as an instrument of national policy.

Social Experiment

In our Institute of Pacific Relations we have an experiment in social engineering directed toward the same end. We too have encountered our skeptics and our critics. It is not strange that there are people in all our countries who either do not understand what we are trying to do or who doubt the integrity of our motives. As to neither class of opponents should we be unduly concerned. It will suffice if we hew straight to the line we have drawn and subject our discussions to a self-discipline that will hold us inflexibly to a scientific attitude of mind and restrain us from any tendency to use an instrument of inquiry as an instrument of policy or propaganda. This is not always an easy matter, for each of us has the not unnatural desire to make his own views prevail. Let us not forget, however, that we are not here to win dialectic triumphs, and that the fruits of such triumphs will be bitter and sterile if they conduce to irritation rather than to knowledge.

The experience of the six years since the first conference of the institute has, I think, convinced us all of the value of our combined program of conference and research. The list of our publications has reached remarkable proportions and one sees them more and more frequently cited in other authoritative works. While few of them are of a character to obtain a wide popular reading, they are being read by publicists, journalists and scholars and in this way the level of popular knowledge and comment on international affairs is being visibly raised. A demand for good bibliographies on Far Eastern topics is evident in many quarters for the use of individual students and study groups and this demand is being met in good measure by the Secretariat at Honolulu and by all the national councils. It is gratifying to be assured, as we have been, that statesmen and other leading men in Europe have been watching our work and studying our technique, in the growing belief that a private international organization for conference and research, working in a strictly scientific spirit, may come to be regarded there, as well as here in the Pacific, as an indispensable complement of the cooperative studies of the League of Nations and other governmental agencies.

There can be no qustion but that a private organization, each of whose members is without any corporate responsibility to restrict his freedom of thought and expression, has a certain advantage over governmental bodies, whether national or international, the members of which must work within limits prescribed by political considerations and often quite properly under pressure to arrive at conclusions. My distinguished predecessor Dr. Ray Lyman Wilbur, to whose enthusiasm, forcefulness and humor the institute owes so large a debt, expressed these ideas characteristically in the aphorism, "A diplomat's thinking stops where his instructions begin"—a little rough on the diplomats but an exaggeration that need only serve to underline the obvious truth it contains. From such limitation we are happily free, but our freedom will be little avail unless we use our utmost endeavors to set a high standard of competence in our membership and of scholarship in our research.

Now, Ladies and Gentlemen, the primary object of the institute is the improvement of our mutual relations. To do that we do not shrink from attacking the most delicate

and controversial questions. For that audacity we make no apologies. By the very definition these are subjects that stir the nationalistic emotions of our respective peoples, and if we have any function at all it is to see that when national attitudes crystallize into national policy it is on the basis of knowledge rather than of ignorance. But controversy is not a good object in itself and its causes often lie deep in cultural factors the better understanding of which would go far to forestall international friction. Every great civilization has contributions of art, literature and general culture which are its free gift to the world.

To be availed of this gift requires an interchange of contact, study and graphic materials between countries on a far larger scale than has yet been realized. As regards the function of the mere collector of paintings, sculpture and objects of art, the balance is perhaps in favor of the Western countries, which now possess many of the finest examples of Eastern art, whereas but few examples of the best Western art have found their way into the hands of Eastern collectors. This disequilibrium has, however, been somewhat redressed by the far greater resort of Oriental visitors and students to Europe and America than of Europeans and Americans to the East. But leaving out of account the exchange of artistic materials, the gross discrepancy between Western scholarship in the culture of the Orient and Oriental scholarship in the culture of the West is a profoundly humiliating fact. Europe has a handful of first-rate scholars but it is doubtful whether there is in America one native-born scholar in the fields of Oriental literature, linguistics, philosophy, religion or art who is capable of engaging in original studies in any of these fields with a knowledge of the linguistic tools such as would be an elementary requisite to a study of the ancient or modern civilizations of Europe or such as could possibly be compared with the equipment of a Chinese or Japanese scholar. The language barrier is of course formidable, one that we could hardly expect to see surmounted by more than a select few; but those few are sorely needed to discover and interpret the vast treasures of art and learning which China and Japan are ready to disclose. Is there room for doubt that if the literary culture of the East were half as accessible to us as is that of Greece or Rome, many of the mysteries and obscurities that now block our mutual understanding would be dissolved? Such institutions as the American Council of Learned Societies, the China Institute of America and the Society for the Promotion of Japanese Studies are making an attempt, as yet feeble but not without promise for the future, to attack this formidable task by encoraging publication, and by enticing into the field of Oriental scholarship at least a small number of competent young persons.

Doubts Expressed

Some doubts have been expressed, based upon the experience of former Conferences, as to whether the subject of cultural contacts and exchanges lends itself to round-table discussion so much as to an expository form of treatment less appropriate to such meetings. I dare say there is a basis for such doubts. Yet there is surely room for discussion regarding the ways and means of promoting cultural interchange, the extent to which the overcoming of the language barrier is practically feasible, and the extent to which, owing to that barrier, temporary or permanent reliance must be placed upon the mediatory and interpretive role of Chinese, Japanese and a few Western scholars or writers, through lectures, translations or the creation, at second best, of a new literature of the East in the vernacular of the West.

Not to labor this point unduly, let me conclude by saying that while there may be difficulty in finding the solution of this problem of cultural interchange, in the measure that our efforts enable us to understand each other's character and motivation the problem goes to the very vitals of international relations. We cannot possibly afford to ignore it.

The happy precedent established by our meeting at Kyoto last time and our presence here today are a partial answer to the problem I have just discussed. Now as we travel through this wonderful country we can look upon the benign face of ancient China and read in its lineaments something of the history and the spirit of its marvelous people. We are even tempted to abandon our cold objectivity and to ask our Chinese hosts, for the all too brief moment of our stay, to transform us by some subtle Oriental magic into Chinese ourselves and let us for once look through their eyes at this complex modern world and its problems. The Conference, as an occasion for many-sided discussion, might leave something to be desired, but the miracle would be almost worth it; for I am sure there would remain, as we resumed, each his national character, some vestige of that momentary illumination to lighten the darkness of our prejudice and ignorance. Chinese friends, we offer ourselves as willing subjects of your benevolent necromancy.

⁂

Text of Speech by Dr. Hu Shih, President of the Conference

As late as a few days before the opening of the preliminary sessions, it looked almost certain that the fourth biennial conference of the Institute of Pacific Relations would be postponed.

As we now look back, all the doubt and hesitation, all the emotional outburst and despair, were perfectly understandable and, if I may say so, perfectly excusable. We are human and subject to the frailities of the race. A sudden and overwhelming international situation was thrust upon us to test our faith in an ideal, and we were caught unprepared, The crisis was too great for us frail beings of little faith! I am sure that the whole Chinese delegation will join me in expressing to all the members of the visiting delegations our most humble apologies for the state of uncertainty and suspension and the practical difficulties and inconveniences to which you must have been subjected during these unfortunate weeks.

But today we are gathered here to inaugurate the first day of the fourth conference of the Institute of Pacific Relations. It is a modified conference in respect to the place of meeting, in respect to some of the suspended formalities, and in respect of some slight reduction in the membership of certain delegations. Nevertheless, as I have said, this is the conference.

Rescued From Wreckage

I beg to take this occasion to point out that this conference has been rescued from a very precipitous wreckage colely through the patient, wise, philosophical and statesmanlike effort of the members of the Pacific Council, and in particular of our philsopher-chairman, Jerome D. Greene. Never despairing and never reproachful of our weaknesses, but always sympathetic and understanding, they have, through watchful waiting and patient persuasion succeeded in bringing together all the dissenting and recalcitrant elements in the Institute and making them realize that they are indispensable members of an organization, the very inception of which was consecrated to the great ideal of seeking to solve international problems and disputes by means of thinking and deliberation. This conference has been made possible by a tardy realization on the part of its Japanese and Chinese members that, whatever calamities may have befallen their respective countries through the folly of their rulers, some good may yet result from the coming together of the enlightened men and women of the various nations, and the application of the scientifis method both in research and discussion in international affairs.

Ladies and gentlemen, we may now congratulate ourselves that so far the institute has successfully passed a very severe test and has courageously met a very powerful challenge. The challenge as I look at it, has been this: Dare we give up thinking in the face of great emotional upheavals in times of national crises? Is the ideal and method of the institute only good for peaceful times when people can afford to be polite to one another?

It is not saying too much that the opening of this conference today will long be remembered, not only in the annals of our own institute, but also in the history of all sister institutions of an international nature, as having set up a splendid precedent that all those who in peaceful times pride themselves as being internationally-minded, must not desert the ideal of calm thinking, patient research and open-minded discussion at a time when folly reigns and passions carry the day.

But, fellow members of the conference, let us not be too easily comforted by the small successes at this stage of the conference. The conference is still young, and we have ahead of us a great many thorny problems waiting for our analysis and, if possible, our solution. We shall still fail in our spirit and methodology if any of us approaches these problems with the erroneous attitude of proselyting the rest to his biased views. We shall fail if we allow our passions and prejudices to blind us from seeing the other fellow's point of view. We shall fail if we enter this hall in the spirit of the defender of a particular creed or the apologist for a particular cause.

Let us, on this first day of our labors, try to have a clear understanding of the nature of our problems and the nature of our work. The problems are problems of nations and peoples. And our job is to think for nations and peoples.

(*Continued on page 343*)

The General Problem of Relief from Floods

BY G. G. STROEBE*

OF recent years the flood problem in China, as in other countries occupies an important place in the public thought. Few will deny that floods are becoming increasingly important. They are thrust upon our notice with greater frequency, and the toll of life and property becomes greater with each decade. This view is not dependent upon the assumption that our climate is changing, nor even that the runoff of our streams is becoming greater.

The march of civilization, not content with occupying our highlands, has already appropriated the lowlands of most countries to its uses. The farmer has dyked the alluvial river valleys; the city has appropriated them for streets, homes and factories; the railroads have utilized the easy grades of the flood plain and have occupied it with embankments, and have crossed and recrossed the streams with bridges. All these things are abundantly sufficient to account for rapidly mounting flood losses that we everywhere observe.

Floods Intensified by Civilization

The retreat of civilization is not to be thought of, however, in the face of floods. No one will seriously consider the abandonment of our richest agricultural lands, nor our most valuable commercial highways. We cannot in America go back to the day of the Indian and buffalo nor in China to the time of the aborigine. We must accept conditions as they are, modify them as intelligently as possible, and in the future we must see that our ends are accomplished with due regard to adequate drainage, considering not only the usual conditions of rainfall and runoff, but where such conditions exist, the extrordinary as well. A way can always be found to satisfy the requirements of nature without defeating the legitimate purposes of civilization. The ways and means are largely matters of cost. Once the conditions surrounding a particular problem are clearly defined, it can be determined how far remedies will be effective and how far costs will be warranted.

Although great floods are constantly occurring in various parts of the world, they happen infrequently in the same locality. They come unexpectedly, and as they pass, they leave the community with a demand for adequate protection, but with considerable bewilderment as to how this protection can be secured. There is a lack of appreciation of the problem and an absence of knowledge, even among engineers, as to what should be done to determine proper measures for relief from floods, to ascertain what fundamental data is reasonably required, and to determine what investgations and studies must be made before the proper remedy can be selected. Let us set for ourselves the task of outlining this flood problem in its principal phases, and describe the remedies most generally applicable.

We may begin logically with a discussion of the causes of floods, for it is obvious that before a remedy for the flood situation can be intelligently applied, we must know something about what causes floods in rivers and about the factors that affect the intensity of these floods.

The factors that influence the flow of streams are three fold, viz., precipitation, character of the watershed and climate.

We can not have floods without precipitation either in the form of rain or snow, although the greatest floods do not necessarily occur in the regions of greatest rainfall. The floods of the great rivers like the Mississippi and Yangtse may be occasioned at certain times of the year by general heavy rains of considerable duration, particularly if they fall upon melting snow or if the runoff reaches the main water courses at a time coincident with the runoff from the melting snows. Floods on such rivers may also be caused by a series of great storms more or less local particularly if the storms occur at such times and places that the runoffs synchronize in reaching the main stream. The great floods of the Mississippi of 1927 and of the Yangtse of this year were caused by unusually excessive storms extending over a goodly portion of their watersheds. I shall give you some figures for the Yangtse.

*Lecture by Col. G. G. Stroebe, chief survey engineer of the Yangtse River Commission, given at the Foreign Y.M.C.A. Shanghai, October 20, 1931.

Yangtse Has Vast Drainage Area

The Yangtse rises in the tablelands of Tibet at an attitude 16,000 feet above the sea and flows in a generally easterly direction 3,200 miles to the sea. In the first 1,500 miles of its course it falls 15,000 feet with untold possibilities of water power. At Likiang the Yangtse comes within a comparatively few miles of the Mekong River which empties into the sea at Saigon, of the Salween which empties at Bangkok, of the Irrawaddy which empties at Rangoon and of the Bramaputra which empties at Calcutta. Curiously these five large rivers so near together at one place have months so very widely separated.

The Yangtse may be likened to a great tree with base at Shanghai and top in Szechuen. Its first great branch is the Kan River which comes into the main river near Kiukiang from the south, draining Kiangsi Province mainly and having a watershed of 70,000 square miles. The next great branch is the Han River which enters the main river at Hankow from the north, draining Hupeh and part of Shensi Province and having a watershed of 68,000 square miles. The third great branch is the Siang River which joins the main trunk at Yochow from the south, draining Hunan Province principally and having a watershed of 97,000 square miles. Farther up there are many branches, the best known being the Min River draining the great Szechuen plain and having a drainage area of 51,000 square miles. Above Suifu the drainage area to the headwaters in Thibet is 185,000 square miles.

Having now the general geography of the Yangtse in mind let us take the rainfall records for the months of July and August and try to visualize what happened and why.

There were three great rain storms during July and early August the last two of which were wide-spread in the Yangtse Valley. Each storm at various places seemed timed to synchronize in its contributions of runoff waters into the main Yangtse. I shall give you a short summary of the rainfall at widely scattered places on the watershed from which you will gain an idea of the great extent of the storms as well as their intensity. These data are dry statistics but they are vital to an intelligent comprehension of what happened.

Phenomenal Storms Produced Flood

We notice on this hydrograph of the Yangtse that beginning about July 7 and continuing to the last of July the river began to rise abnormally at Hankow. This was due to two distinct storms of July, the first of which was not so wide-spread. Let me give you some of the figures of precipitation in this first storm of July 7 to 10:—Tungchwan, Yunnan Province, 6 inches; Kweiyang, Kweichow Province, 7 inches; Chungking, Szechuen Prevince, 3 inches.

The second storm of July 22 to 26 was more widespread over the valley. Here are some statistics of precipitation during it:—

Kweiyang, Kweichow Province, 2½ inches; Chengtu, Szechuen Province, 3 inches; Suifu, Szechuen Province, 3 inches; Chungking, Szechuen Province, 1 inch Ichang, Hupeh Province, 3½ inches; Changsha, Hunan Province, 8 inches; Yochow, Hunan Province, 7 inches; Hankow, Hupeh Province, 6½ inches; Hingan, Shensi Province, 4 inches; Liuan, Hwai River District, 11 inches; Chinkiang, Kiaugsu Province, 9 inches; Shanghai 6½ inches.

The runoff from this wide spread storm was sufficient to bring the water level at Hankow up to 50.1 feet on July 29 which was about almost a record in the recorded history of Yangtse river heights at Hankow, the greatest preceding recorded height being 50½ feet in the flood of August 1870. But all would have been endurable if a third wide-spread storm had not occurred in early August to accentuate conditions already acute. Let me give you some details of precipitation of this third storm of August 3-7. Please notice the intensity and distribution of the rainfall.

Tungchwan, Yunnan, 4 inches; Chengtu, Szechuen, 9 inches; Suifu, Szechuen, 4 inches; Ichang, Hupeh, 8½ inches; Wangtsun, Hunan, 14 inches; Hingan, Shensi, 2 inches; Pochow, Hwai River District, 8½ inches; Liuan, Hwai River District, 5 inches; Pengpu, Hwai River District, 4½ inches.

On the higher levels in the flooded districts reconstruction is already well under way

One Day's Rain 35,000,000 cu. ft. per second

Let me explain more conoretely what these figures of precipitation mean. With the area of the watersheds and these rainfall records I have calculated the maximum amount of water that descended upon the Yangtse watershed above Hankow in one day, the worst day of the storm, calculation comes out to be 35,000,000 cubic feet per second of rainfall for every second during the worst day of the storm. Of course for the days preceding and following the worst day the downfall of water was enormous too, but less.

Now where did this water all go? Some was absorbed by the ground, but the ground was unable to absorb much on account of saturation during previous heavy rains; much evaporated into the air, but the remainder eventually found its way into the Yangtse. Fortunately this enormous amount of water did not enter the river on the day of precipitation as is usually the case with runoff from storms on many small streams. If it had, it would have wiped the great cities of its flood plain completely from the landscape. Let us put the matter this way. The discharging capacity of the Yangtse River at Hankow is 2,000,000 cubic feet per second when the river is at bund level. The runoff of these July and August storms came down comparatively slowly from the hinterland; and is coming down out of many impounded areas event yet, two months after the storm.

But what happened was that the precipitation was so unusally severe in this August storm and the river was already so high from previous storms that the runoff reached Hankow in greater volume than the 2,000,000 cubic feet per second corresponding to the ability of the river to carry it away at bund level. The run off water which has been precipitated at a maximum daily rate of 35,000,000 cubic feet per second on the water shed between August 3 and 7 presented itself at Hankow on August 19 at the rate of 2,800,000 cubic feet per second, and demanded the right of way for transit past the town. Now since the discharging capacity of the Yangtse at Hankow is only 2,000,000 cubic feet per second at bund level and 28,000,000 had to pass there was no alternative but for the river to rise to the height necessary for 2,800,000 cubic feet per second to pass by. That height proved to be 53.6 feet on the Hankow river gage. Since the town lies six or seven feet below this level, the whole town became flooded of course.

Let us now consider for a moment the subject of the frequency of floods. This matter is one of great interest to people especially to those that live in the path of floods. On the Yangtse at Hankow we have records of only 63 years. The storm that most nearly approached this year's storm at Hankow was the one of 1870, 63 years ago; yet that one was 3 feet lower in height at Hankow than the present flood there. On the Danube the greatest storm of the last 900 years was in the years 1501, or 430 years ago. The greatest storm on the Seine River in the last 400 years near Paris, France was on March 1, 1658; the second greatest storm on the river was on January 28, 1910. On the Tiber River the first flood of magnitude recorded at Rome was in 413 B.C. The greatest flood occurred in 1598 A.D. Another nearly as large occurred in 1870, the same year as the greatest Yangtse flood prior to the one of this present year. From these precedents we might conclude that it may be centuries before another is witnessed on the Yangtse equal to that of this year.

Rescuing marooned refugees in the flooded areas of the Yangtse Valley

Deforestation Not a Serious Cause

But we must hurry on. We have considered rapidly the subject of precipitation as a factor on stream flow. The other two factors, character of watershed and climate, we have no time to dwell upon. Mere mention of the following facts regarding watershed and climate as influencing floods will show us how extensive the study is, viz., size of watershed, its shape, the arrangement of the tributaries, the surface topography, the character of surface soil, and subsoil, the presence of lakes, ponds and swamps, the character of the vegetation, the works of man in agriculture, irrigation drainage, dams and reservoirs, the effects of freezing on arresting flow, the accumulation of snow, the suddenness of spring thaws, the effect of climate on vegetation, and the effects of climate on the creation of ice gorges. In this study we should come upon the controversial question or to the effects of forests upon reducing floods, and would cite, in contradistinction to the laymans' view, the conclusing of the world's leading engineers *that the progressive deforestation of both Europe and America has had no effect on increasing the frequency of floods nor augmenting their height.* But we must deny ourselves any excursion into this interesting and controversial field to-night.

This subject would be incomplete without some remarks upon various means of flood control.

Types of flood relief works fall into three principal classes: those for flood diversion, those for flood prevention and those for flood protection.

No Diversion of Yangtse Possible

The solution of the problem by which flood water can be diverted from one water course into another depends upon two elements: first topography, and secondly cost. In many situations where topography would allow flood waters to be diverted from a given river to another adjacent river that is capable of carrying the excess water of the first river, the solution is impracticable on account of the high cost of not only the physical improvements themselves but also of the valuable land that would have to be condemned. In America the engineers say it is feasible to keep the Lower Mississippi River below a flood flow of 2,000,000 cubic feet per second by discharging the excess water over spillways into the the Francis, Boeuf and Atchafalays rivers to the west, and they were working along this line until the American Supreme Court intervened and decreed that the United States would have to pay damages amounting to millions on all land so flooded. At New Orleans, all flood water exceeding 1,500,000 cubic feet per second will be diverted into near-by lake Pontchartrain to the east using a gigantic concrete spillway with the crest fixed at a level that will effect this distribution of the water. Thus the menace of floods is effectually removed from New Orleans.

In China there is no adjacent river that the Yangtse could use to discharge its excess flood waters into. The Yangtse must carry these waters alone to sea. At Tientsin the excess flood waters are now diverted into other channels thus by-passing and saving Tientsin. In a similar way the floods of the Lower Yellow River could be alleviated by utilizing for excess flood waters the river's old course to sea near Haichow, Kiangsu Province; but here cost might intervene in the question of practicability of such a proposition.

Just one of hundreds of refugee camps in the flooded areas. This one is in a big temple. The picture was taken at meal time.

Here is shown one stage in getting in food supplies to the refugees.

In ancient times this remedy of diverting flood flows was extensively applied in Asia and Africa. The ancient Babylonians completely controlled the Euphrates by means of gigantic escapes into depressions in the Arabian deserts. The first public work that Alexander the Great undertook at Babylon was the construction of a diversion for the flood waters of the Eurphrates using the same principles that are used today at Tientsin and New Orleans, only Alexander had no concrete nor flood control gates and instead had to employ after each flood about 10,000 men to close the new channel dug out by the flood, in order that the main stream might be made to continue to flow in full strength past Babylon.

In Egypt in the twelfth dynasty the reigning Pharaoh provided the Nile with an escape into a large existing lake. This work was called by the Greeks one of the "seven wonders of the world". The gigantic entry and exit gates for these flood waters were only cut in times of emergency, and were reconstructed again at such great expense of labor that even the builders of the pyramids considered the labor excessive and extravagant.

Lakes Prevented Worse Disaster

The second type of flood relief work claiming our attention is that for flood prevention. In this class are placed reservoirs and detention basins for the purpose of storing flood flows and feeding the water gradually back to the streams. Reforestation would fall into this class where it can be shown that it would have an influence upon flood flow.

It is easy to see that if large reservoirs are provided in capacity to hold the larger part of great flood, it would be possible by releasing the water gradually to make the flow of the streams in question nearly uniform. With the knowledge of the flow of the stream from day to day and from year to year, it is practicable to compute the amount of storage that would thus be required. Nature has given us some fine illustrations of this principle. The St. Lawrence River is notable for its exceptional regularity of flow. The system of Great Lakes which feeds it occupies about one-third of the tributary drainage area, and stores several times the annual flow of the effluent water in the St. Lawrence.

The people of the Yangtse Valley are very fortunate that numerous lakes exist along the river in which some of the river's flood waters can be stored. Two of these natural reservoirs, Tungting Lake in Hunan and Poyang Lake in Kiangsi, are of very large size. I shall illustrate the value of Tungting Lake by a single computation. The Customs has a gage in the lake in which the daily gage height is recorded. When the waters of the great storm of early August came pouring into this lake, the lake level rose 4 feet in 9 days. On the one day, August 10th it rose 0.8 feet or nearly 10 inches.

Many Practicable Schemes Not Economically Feasible

A simple computation of multiplying the area of this lake by 0.8 feet, the rise on August 10, gives approximately 40,000,000,000 cubic feet of water that were stored in this lake on this one day. If this lake were entirely absent, then most of this water in addition to the normal flow would be obliged to descend down the river in one day. In order for the Yangtse to convey this additional amount of water which was stored on August 10th in Tungting Lake, the Yangtse would have to have an elevation of about 6 feet more on Yochow gage at the outlet of Tungting lake than it did have on the day in question. This simple computation shows the value of Tungting lake as a storage basin. The lamentable *hydraulic* part of it is that a fair fraction of the former lake area is now occupied by dyked-off farming communities that have in past years slowly wrested from the lake a fair share of the area that the lake formerly claimed for itself for storage and that the lake re-possessed this year for the storage of its waters by bursting the man-made dykes and reclaiming its old storage domain. Scores of dyked-in areas were this year inundated. Had these dykes in Tungting Lake not broken, and if other dykes above Hankow also had not broken, the river level at Hankow would have been of course measureably higher this year.

There is another class of reservoirs called detention basins built to hold back flood water. Here is an illustration of a detention basin: Let water from a small pipe discharge into a pail with a hole in the bottom. If the pail is big enough the outflow from the hole will equal the inflow from the water pipe. If then you suddenly poured a gallon or two of water into the pail the rate of outflow would be increased only a little bit. On this same principle, great detention basins are built on rivers by constructing a high earth dam across the river valley and placing through the earth dam an unobstructed concrete hole big enough to let at one time only a safe amount of water pass through into river below the dam. In this way the river below the dam can be regulated so that it will never rise above a dangerous height.

Dayton (Ohio) was visited in 1913 by a disastrous flood greater than any other flood experienced in Dayton from the beginnings of the town 125 years ago. The damage to Dayton and other cities of the Miami Valley amounted G $100,000,000 and the depreciation in the value of real estate to an additional G $70,000,000. By the construction of work of which the principal item was the building of five detention basins in the Miami River and tributaries, Dayton is now protected against a flood 40% bigger than that of 1913. The cost of the project was G $ 35,000,000 which was twice paid for by the recovery alone of real estate to its former value.

There remains to mention the third and last method of flood relief viz., that by flood protection. Works of flood protection do not reduce the flood flows but protect against them. These works include levels and channel improvements, including channel straightening and enlargement. On the Yangtse, the method of channel improvement to reduce flood heights would be exceedingly expensive. There are several constructions in a natural rocky gorge between Hankow and Kiukiang that appear to throat up the water somewhat and cause it to be correspondingly higher at Hankow. Enlargement of the river channel at these constructions would help some as would also the removal of some bad bends; but the improvements would involve an outlay of so much money as to be untenable at present.

Chinese Abroad Contribute Heavily Towards Flood Relief

Announcements made by the National Flood Relief Commission show that almost a third of the funds received from private donors have come from abroad. Except for the large gifts of the American Red Cross and the Japanese Emperor, the donations have been forwarded almost entirely by Chinese associations and relief commissions in various lands, chiefly in the South Seas.

The total receipts, as of October 20, were $5,037,764.09 and Tls. 147,139.76. There has also been a gift of 4,000 bags of rice, valued at $43,000 from Burma and the Straits Settlements. An analysis of these contributions shows that the following sums have come from other countries:

United States	$471,470.41		
Japan & Korea	324,405.23	Tls.	12,658.19
Philippine Islands	259,707.57		20,295.60
Dutch East Indies	162,744.84		23,133.18
Straits Settlements & the Federated Malay States	169,584.85		2,762.50
Siam	94,554.16		
Union of South Africa	17,103.03		4,350.00
Cuba	9,400.00		
Burma	1,000.00		15,500.00
France	220.05		
Canada	175.00		
Australia	2,795.10		
Totals from Abroad	$1,513,160.24	Tls.	78,699.47
Totals from China	3,524,603.85		68,440.29
Grand Total	$5,037,764.09	Tls.	147,139.76

It would appear that most of the contributions thus far have been made by Overseas Chinese. A large part of the funds raised by a private agency, the Chinese-Foreign Flood Relief Committee, came from Overseas Chinese.

Active work on behalf of Chinese flood relief in the United States awaits the completion of this year's efforts toward the raising of community chests and other funds for unemployment relief. It is reported that complete right-of-way for such efforts is being given by all other agencies during October and November. A campaign for flood relief in China under the joint auspices of the Federal Council of Churches, the Foreign Missions Conference, and China Famine Relief, Inc., will, according to *Kuo Min*, probably be inaugurated early in December.

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Reasons Why China Should Retain Possession of Manchuria

BY PROFESSOR VERNE DYSON*
(*University of the Philippines, Manila*)

ONE of the few constructive benefits derived from the World War was the principle of self-determination—the right of majorities to decide their own political destinies. According to this celebrated Wilsonian doctrine, accepted by the honest people of the world, Manchuria belongs to China because the population is overwhelmingly Chinese. The native Manchu, or Tartar, population long ago became inarticulate. The combined Russian and Japanese populations amount probably to about 5 per cent of the total.

In recent times, more than 10,000,000 people from North China, principally from the flood and famine regions, migrated to the agricultural districts of Manchuria. They were peaceful, unarmed, law-abiding, and hard-working farmers who went there to establish new homes by their own toil. As a result of this quiet invasion, Manchuria now has a population of 25,265,103—more than twice that of the Philippine Islands, and much greater than that of any of the other three Chinese dominions. This great influx of settlers was China's effective counter-move to Japan's unlawful gestures to take the country by force.

Manchuria, thus, first belongs to China by right of peaceful, unopposed, and perfectly legitimate occupation, a migratory movement occasioned by the operation of the natural forces of nature and without artificial stimulus from military leaders or economic imperialists.

Manchuria should belong to China because of priority in political affiliation. These two nations were united politically three hundred years ago when the smaller conquered the larger, and established a new dynasty, the Ta Ching, or "Great Pure." Then the border-line between the two countries disappeared completely; they became one empire, under one ruler, and with one political tradition. The imperial tombs of the founders of the Manchu line of rulers are in Manchuria; thither the Sons of Heaven journeyed to worship at the shrines of their ancestors. For three centuries Manchuria was the sacred land of China's rulers. The highways between the two countries were no barriers. The frontier disappeared. Sentiment, politics, and common destinies fused China and Manchuria early in this dynastic period. How could it have been otherwise than that the two peoples should become united. Thus, by common political inheritance, Manchuria and China belong to each other.

There is a third reason. As a result of territorial contiguity from remote times, and long association as political brothers, the Manchus and Chinese naturally developed binding cultural ties. Manchuria, a new nation which suudenly came into prominence at the beginning of the modern age through the fighting ability of its chiefs, acquired its civilized institutions from China. Like all of the other countries of Eastern Asia, Manchuria derived its culture from rice-eating, silk-wearing, and wall-building Chinese. These ties are strong ties; that fact is easily recognized. The traditions, beliefs, and general culture, of the residents of Manchuria are more than 90 per cent Chinese. Here is a consideration that should play no small part in determining the future relations between the two peoples.

Then, by right of majority population, long political identity and strong cultural ties, Manchuria should belong to China. There are no political scandals, no diplomatic perversions connected with the presence of the Chinese in Manchuria. They are there because three centuries ago the boundary line between the two countries ceased to be. Manchuria belongs to China because China was conquered by Manchuria; the conqueror belongs to the conquered as well as the conquered to the conqueror. Manchuria's political conquest of China was followed immediately by the latter's economic and cultural conquest of the former. That is China's traditional method for dealing with intruding racial groups. What she cannot eject, she quietly conquers by assimilation.

The Position of Russia and Japan

The positions of Russia and Japan in Manchuria are identical; both are late intruders into a region that had been dominated by China for centuries—invaders with no natural rights, but only those which are maintained by force.

Russia and Japan each have railway interests by which each seeks to justify its presence in Manchuria in the eyes of a critical world. But how were these interests obtained? By fraud, intrigue, and conquest, and always at the expense of the legitimate rights of China. By means of a secret treaty and of alluring promises to the Chinese that were not kept, Czarist Russia obtained permission in the middle '90s to build the eastern end of the Trans-Siberian Railway—the so-called Chinese Eastern Railway—across Manchuria so an outlet on the Pacific littoral. In these transactions it thould be noticed with interest that Russia at the time fully recognized the rights of China in Manchuria.

At the close of the Russo-Japanese War in 1905, Japan received as a spoil the southern branch of the Chinese Eastern Railway. This is the present South Manchuria Railway to which Japan points as her main reason for being in Manchuria.

The very identity of the Russian and Japanese interests in Manchuria brings these interests into sharp conflict. They cannot be reconciled because they rest on equally dishonest foundations.

By their continued presence in Manchuria, Russia and Japan are keeping alive the traditions of hate let loose in the World War, are fanning the embers of trouble. Consider the past wars among the three nations of Russia, Japan, and China involved in the Manchurian tangle. Japan has warred with both Russia and China. China has fought two border wars with Russia, the issues of the last one still remaining unsettled. These three nations are not in Manchuria as friends, but as enemies. This brings us to the international view-point of the Manchurian situation.

Manchuria as a Problem of World Peace

We have been viewing the Manchurian question from the narrow standpoint of the individual interests of the three nations concerned. Now let us look at it as a problem of international diplomacy, one which concerns the peace of the world. The fact that Manchuria has been the cause, direct or indirect, of great wars in the past makes the present situation there one of general concern. Korea usually is credited with being the cause of the Russo-Japanese War, but had Russia not menaced Japan by building the trans-continental railway there probably would have been no war between those two countries. The Chinese Eastern Railway was the direct cause of the late border war between China and Russia and of the present unsettled diplomatic dead-lock between the governments of those countries.

We see then that the railways in Manchuria are at the botton of the trouble. This railway situation is extremely complicated and conflicting. There are several distinct systems: The roads owned solely by the Chinese, those owned solely by the Japanese, those owned jointly by the Chinese and Russians, and those owned jointly by Chinese and Japanese. And it is likely that there is in some instances an overlaping of Russian and Japanese railway interests. The situation presents almost every conceivable combination—all making for misunderstandings and war. It would be fortunate for Russia, Japan, China, and the world at large if every mile of railway track in Manchuria could be torn up and destroyed, and the country left in the hands of the native population for re-development along natural lines.

In the original contract between China and Russia there was a clause which gave China the right to purchase the Russian interests at the end of a period. But the Chinese Eastern Railway has been so overloaded with debts by the Russians that it will be impossible for China ever to pay the price. Considering the vast sums of money which the Japanese, including their government, have spent on developing the South Manchuria Railway, it is inconceivable that Japan would release this property without war. The Manchurian situation, thus, seems to be impossible of solution by the ordinary methods of arbitration because of the great financial losses that would inevitably be incurred by some, or perhaps all, of the nations concerned.

How then can it be settled? Only by the expulsion of both Russia and Japan from Manchuria by force of world public opinion, or by force of arms exerted by the League of

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* Extracts from a speech by Prof Dyson, Monday evening, October 12, 1931, at the celebration of the twentieth anniversary of the Chinese Revolution, at an outdoor meeting at the Chinese Y. M. C. A., Manila.

Nations or some other group of disinterested nations, acting as police in the interest of humanity for this special raid on the international law-breakers congregated for evil purposes in the notorious "Cockpit of Asia."

There is one possible alternative: An international commission to govern Manchuria and settle with finality all of the grave problems which are today holding three nations there in an unyielding deadlock. Such a commission might be composed of one representative each from Russia, Japan, China, England, and the United States. The presence of the latter two disinterested members would prevent the possibility of two of the three representatives of the interested nations from combining against a third. Such a solution of the Manchurian problem, however, would be humiliating to China and, for this reason, should be adopted only as a last resort, and then with the understanding that it would be temporary.

An independent Manchuria is impossible under existing conditions, and it should be known that all such suggestions emanate from Japan. Japan, let it be recalled, obtained "freedom" for Korea before she annexed that country. We have here a favorite political tactic of the Japanese, and one that might deceive uninformed persons. The Japanese suggestion for freedom for such countries as Korea, Manchuria, and the Philippine Islands, which she wants, should be received with the same suspicion that was of old accorded to the gifts of the Greeks.

Should China withdraw from Manchuria, leaving Russia and Japan in possession, war between these two would be inevitable, while should Russia and Japan be eliminated, leaving China in control, no such contingency would follow because none of the fuels of war would be left. China is the only one of these three nations which is following the spirit and the letter of the Kellogg Peace Pact. She did that all through her recent border trouble with Russia, and she had done so consistently all through the present crisis with Japan. The society of nations will be forced, sooner or later, to settle the Manchurian menace, not alone for China but for itself.

LEADERS OF I.P.R. CONFERENCE EXPLAIN OBJECTS IN OPENING SPEECHES

(Continued from page 336)

To think for a nation or nations is a most sacred trust and a most perilous task.

It is a task in which, in the words of a Chinese sage, "One word may build up a nation, and one word may ruin an empire." We can only qualify ourselves for the performance of this sacred duty by religiously guarding ourselves against our private biases and provincialisms, and reverently resolving not to allow our prejudices and feelings to influence our thinking and color our judgment. We are here neither to laugh, nor to cry, but to understand. We are here not to teach, but to think together and exchange our ideas with one another. It is only in the spirit of the humble seeker after truth that we may hope to achieve at least a small measure of success.

Japanese Cotton Mills May Close as Result of Boycott

An extraordinary meeting of the directors and managers of the Japanese cotton mills in Shanghai was held at the Japanese Club October 25, at which reports were made on the general situation in China. Discussions were centered on measures to be taken by Japanese cotton mills in view of the anti-Japanese economic boycott.

Following the meeting, T. Funatsu, head of the Japanese mill owners' association, stated that he could not tell exactly when and how the Japanese cotton factories in China would be closed but he said he feared that should the situation get worse, all of the Japanese cotton mills in Shanghai eventually would have no alternative but to suspend operations sooner or later.

Sharp Slump in Japanese Shipping

Japanese shipping has been seriously affected by the prevailing world-wide business depression, accentuated by the heavy fall in the value of the pound sterling. Many Japanese vessels have been dropped from the ocean routes and put on coastwise service. The result is that there is a great surplus of vessels, and many of them are lying idle. Estimates by the Japanese themselves indicate that 1,000,000 tons of Japanese shipping will be tied up by the end of the year.

IN THE UNITED STATES COURT FOR CHINA

MARIE MACON DE VALORES,
Plaintiff.
vs.
SANTOS DE VALORES,
Defendant.

Cause No. 3400
Civil No. 1520
ORDER.
Filed at Shanghai, China, this 26th day of October, 1931.
L. T. KENAKE
Asst. Clerk.

ORDER.

The object of this suit is an action for divorce.

WHEREAS, Plaintiff herein, by her attorney, has this 24th day of October 1931, made application for the substitution of publication, for personal service upon the Defendant herein: and

WHEREAS, it appears from the files in this case that on the 26th day of October, 1931, the summons for Defendan was returned by the Marshal of the United States Court for China, "Defendant was not within the jurisdiction of this Court"; and

WHEREAS, it appears from the files in this case that on the 19th day of October, 1931, MARIE MACON DE VALORES, the Plaintiff herein, filed an Affidavit to the effect that the Defendant does not now reside in China, nor has he ever resided in China, and that his last known address was Los Angeles, California.

NOW THEREFORE, it is this 26th day of October, 1931, ORDERED that service upon the Defendant be made by publication once a week for three consecutive weeks in the CHINA WEEKLY REVIEW, a paper of general circulation most likely to reach the Defendant.

IT IS FURTHER ORDERRD that the Defendant cause his appearance to be entered herein on or before the fortieth day, exclusive of Sundays and legal holidays, occuring after the 14th day of November, 1931, the day of last publication of this Order; otherwise the case will be proceeded with as in case of default.

BY THE COURT:

MILTON D. PURDY
JUDGE

Dated: Shanghai, China
October 26 1931.

The Next Step in the Battle Against Opium

BY R. Y. LO (羅運炎)

VIII

AS an epidemic, opium and its derivates spread like fire and are never halted by national frontiers. It appears therefore that the efficient control of the drug demands the united effort of the world. While we Chinese are conscious of the grave situation of the opium traffic at home and will never spare effort to combat it, the smuggling of narcotics on a gigantic scale from abroad decidedly complicates the situation. All that China can do is to enforce its laws against the illicit traffic and ask for the co-operation of foreign governments to limit their production to medicinal and scientific requirements and sale for export of high power manufactured narcotics, to the end not only that China will be free from the scourge but that the world at large will also be emancipated from drug affliction.

While it is true China cannot hope to solve the question of opium and its derivatives alone without the co-operation of other nations, yet the problem of opium in China is primarily a problem of the Chinese and its solution must rest entirely with the Chinese people. The fact is that the evil is in our midst, degenerating the people, causing war and famines, and striking straight at the coming generation of the nation. Surely opium is the one thing holding us back and dragging our nation down. Is it not time to sound a very clear call to action, to start a determined drive with an added effort against opium and its allied narcotics?

What, then, is the next step to take? Recently from a certain quarter has come the urge for adoption by the National Government of a new policy to take the place of the old one; that is, to substitute the present policy of Absolute Prohibition by the establishment of a sort of monopoly. It is pointed out that by legalising the opium traffic, it will not only yield to the national treasury an annual revenue of something like $100,000,000 but will also take away from the provincial militarists the sinews of war. For instance, Mr. H.G.W. Woodhead, C.B.E., a British jouranlist in a series of articles in the *Shanghai Evening Post* of recent months freely and strongly advised the Chinese to give up their struggle for total prohibition and go in for a government monopoly in line with the colonial governments in the Far East. Mr. Woodhead's argument is as follows:

The Argument for Monopoly

"In China large areas are controlled by semi-independent militarists whose armies are maintained almost entirely out of promoting the illicit drug traffic, and there is little hope that the authority of the Central Government will be extended over these territories until the militarists have been excluded from exploiting the opium traffic for their own profit. Nor is it easy to see how disbandment will ever become practicable until the Szechuen, Yunnan, Kweichow, and Kwangsi militarists have been deprived of this source of revenue. They are able to obstruct or defy the Central Government only because they are in a position to maintain their armies out of these illicit revenues. Deprived of this source of income they would have to conform to the wishes of the National Government."

After attacking the present system of prohibition as farcical and ineffective, Mr. Woodhead concluded by saying:

"Why not try a new line of attack which certainly cannot produce more deplorable results, and which, if efficiently organised, will at least set a time limit to the duration of the opium evil?

"Why not make opium suppression not only pay for itself, but for the disbandment of China's unwieldy armies? There is no immediate hope of obtaining the necessary revenue from any other source. And a loan, foreign or domestic, for disbandment purposes, would simply be wasted if the militarists in Western China retained their hold over the opium traffic.

"The revenue is there. It is being and will continue to be collected, despite all the orders of the Nanking Government, all the protests of China's delegates at Geneva, the fulminations of the National Anti-Opium Association, and the existence of drastic anti-opium laws."

Another advocate for a change of policy as the next step to take in the matter of opium suppression is Dr. Wu Lien-teh, head of the National Quarantine Service. After an historical discussion of the opium problem in China, Dr. Wu advocates in *The Chinese Nation*, a local magazine, the following measures for Government Control:

1. Propose an interregnum of fifteen years for bringing the whole traffic to an end. During this period, strict control of its production throughout the Republic by the Central Government should be established, particular stress to be laid on the ports and cities whence the raw drug is exported.

2. Invite the experienced staff of the Maritime Customs to collect the necessary revenue, say, at the rate of $2,000 per picul, which should be entered as a separate opium excise account. By this means, immediate operation could be assured with little or no extra cost to the country.

3. Out of the gross revenue thus collected, at least ten per cent should be earmarked for the establishment and maintenance of opium refuges and general hospitals in various centers, where the addicts could be treated and whence anti-opium and health propaganda could be disseminated.

4. Hand-in-hand with the above, there should be firmly enforced the gradual diminution of poppy cultivathe and opium smoking by one-fifteenth every year, so that the provinces and people could adapt themselves to the progressive policy of the government.

In support of the foregoing proposal, Dr. Wu continues by saying that although it apparently is inconsistent with the anti-opium declarations of the Government, a change of policy would be much better than an obstinate insistence upon unpracticable methods. The case of American bootlegging was also cited to show the failure of Prohibition. Among other things, Dr. Wu says, "Besides, we have the glaring example of the powerful and well-organised United States of America, which in spite of its advantages has not been able to solve the problem of Prohibition among a population only one-fourth ours."

So far as written expression of opinions of late is concerned, Mr. Woodhead and Dr. Wu seem to be the only advocates for change. It will be remembered, however, that some six years ago a similar advice was given in a series of articles in the *Peking and Tientsin Times*, and was heartily supported by the editorials of the *North-China Daily News*, both of which are either British-owned or British-edited newspapers. It will also be recalled that in the year 1925 when General Tuan Chi Jui was Chief Executive of the Peking Government, Sir Francis Aglen, a British subject but Inspector-General of Chinese Maritime Customs came out openly for an opium monopoly and induced the Tuan Government to have it adopted by the then meeting of the Rehabilitation Conference. But the popular opposition was so strong that the Conference did not even dare to give it a hearing. By the way, this was perhaps the proposal which provoked the late Dr. Sun-Yat Sen's clarion call to the nation to stand firm and make no compromise. These are his words:

Dr. Sun's Clarion Call

"In my opinion, the problem of Opium Suppression in China is synonymous with the problem of Good Government. For traffic in Opium cannot co-exist with a National Government deriving its power and authority from the people. Until political workers in China are in a position to assert victoriously the Supremacy of the Civil Authority in the administration of government there is little hope for the effective suppression of the Opium Evil.

"So long as lawless militarists encourage, and even make compulsory, the cultivation of the poppy plant in territories under their control, it is futile to devise measures for opium suppression. Crops of the poppy are easily grown and quickly harvested; they yield a far more remunerative return than crops of ordinary food cereals, fruits and vegetables; and the farmers do not dare, and indeed do not care, to refuse to cultivate the poppy wherever the militarists command them, of course with a view to participation in the profits by dong so.

"As a measure of tardy justice to the Chinese people, there should be no reluctance on the part of the delegates of the Powers at the League Conference to make more strigent regulations forbidding the export to China of opium and its more terribly insidious derivatives, morphia, heroin and other narcotics. The disruption

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THE CHINA WEEKLY REVIEW

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of government in China has not only resulted in the recrudescence of poppy cultivation but has also tended greatly to retard the development of the country's foreign trade, to the enormous loss not only to Chinese but foreign merchants and manufacturers of legitimate articles of commerce. The huge sums that are being squanderel in the smuggling and illicit trade in opium, if diverted to proper trade channels would assist not inconsiderably to secure the much desired revival of trade and re-establish the volume of legitimate commerce between China and her foreign suppliers.

"The view expressed in some quarters that because of the admittedly widespread recrudesence of the opium traffic in China, the opium trade should again be legitimatised and foreign opium openly admitted through the Maritime Customs—thereby providing increased revenue for the national exchequer—is totally reprehensible. For it is incontrovertible that Chinese Public Opinion—the opinion of the average peaceful and law-abiding, decent and respectable citizen—is strongly opposed to the Opium Evil and any, even temporary, surrender in the fight against the illicit opium traffic, much less the proposal to re-admit the legitimacy of the opium trade is revolting to the nation.

There can be no parleying or armistice, and although conditions in China just now are deplorable and the anti-opium fight is being waged against fearful odds, with apparently little success, it would be a betrayal of the nation were responsible Chinese governmental organs to haul down the flag even temporarily from motives of expediency and short-sighted national self-interest. Surrender in any shape or form is a direct flouting of the national conscience. Not even the lawless militarists and warlords, who are benefitting hugely by the illicit traffic in opium, have dared to acknowledge openly and to glory in the opium traffic. What is being done, is done surreptitiously and shame-facedly.

"Owing to the lack of roads and other facilities for easy communications in the interior districts and the increased economic burdens thrown on the shoulders of the people in consequence of the present ascendancy of the militarists, the natural and normal tendency of the farmers to confine themselves to the growth and cultivation of ordinary agricultural products is being effectually thwarted. Provinces like Kwangtung, where the government is strongly opposed to the evil, are confronted not only with the smuggling from adjacent provinces but also with the greater evil of smuggling of both foreign native-grown opium by the more facile and expeditious sea routes. In these circumstances while at present a province like Kwangtung attempts under great difficulties to regulate and control the illegal traffic in opium—always with a view to curbing the evil, and with the aim of devising effective measures for ultimate suppression when greater control is established—we find our efforts of little avail at present, owing to the smuggling that is rampant by land and sea routes.

"It must be regretfully admitted that local action cannot become effective unless concerted measures under a National Government are introduced. Until the greater and more destructive evil of militarism is crushed and a National Government is established assuring the supremacy of Civil Authority, the present efforts towards opium suppression can achieve little. When the greater menace to the life and liberty of the people is destroyed, the public conscience of the nation will very soon assert itself over the suppression of illicit opium traffic. But until militarism is first suppressed and Civil Government becomes effective throughout the length and breadth of the Republic, the best that can be hoped for, as the foregoing remarks are intended to indicate, is to keep alive the struggle against the illegal traffic by encouraging unceasing vigilance and publicity on the part of the popular anti-opium societies. The firm and uncompromising determination to fight on, however discouraging and unsuccessful the situation may appear to be for the moment, must be incessantly proclaimed. The policy of "No Surrender" must be unflinchingly pursued."

Opposition to Monoply Scheme

Historically speaking, China has from the beginning stood for Prohibition. Every time when there came forward a proposal for legalization of the opium traffic it was immediately fought against with determined opposition. It was therefore no surprise to see that the recent scheme of legalization should have been severely challenged by the National Anti-Opium Association, whose line of reasoning may be given as follows:

"Advocates of the monopoly scheme too often lightly blame the anti-opium laws and regulations for the present failure of opium suppression, whereas the real fault does not lie with the laws, but with the officials who do not assert themselves to enforce them. Not a single one among the many militarists and corrupt officials has been duly punished for their implications in notorious cases of illicit traffic even when the evidences are overwhelmingly against them. The result is that they not only indulge in deriving a revenue from the illegal trade but even glory in their privileged position to so violate the laws of the country. The Hankow opium tax bureau is a case in point. To expect under such circumstances the success of opium suppression is, as a Chinese saying goes, like fishing in a forest. *What at present is the most urgent is the rigid enforcement of respect for the existing anti-opium laws among all classes of people. The repeal of these laws and the adoption of the monopoly scheme would be a moral justification of the enemies of opium suppression and cause them to be even bolder than before in their misdeeds. Such a step would be a grave disappointment to the nation.*

"The monopoly scheme not only will not facilitate the solution of China's opium problem, but will further complicate the task. It has been the illusion of the advocates of the monopoly scheme to think that it will turn a substantial revenue into the National Treasury. This, however, will not be the case. The reason why the militarists defy the authority of the central government in the suppression of opium is because it cuts in their revenue. It the event of the monopoly scheme being adopted it would be difficult to imagine that those at present violating the anti-opium laws for the sake of revenue would tamely give up that source of revenue to the central authorities. *There is more likelihood that, upon finding the moral and legal restraints upon the traffic removed, these wrongdoers would boldly and openly collect the revenue for their own uses and to strengthen their own position.*

"Whether for the enforcement of suppression or of the monopoly scheme, the central authorities must encounter *the same obstacle* in the obstruction of unscrupulous militarists. Since the obstacle must be overcome anyway, and it is the duty of the central government to overcome it, the aim of the struggle should be made the suppression of opium rather than which party should benefit from the revenue. If revenue were not the objective, it is not understandable how the monopoly scheme affords a better, easier and more practical alternative as is claimed by its advocates, for exterminating the opium evil than the direct and rigid enforcement of the anti-opium laws.

"The monopoly scheme is a retrograde step in the history of opium suppression in China, where the policy of absolute suppression was once crowned with a complete success. Following the Sino-British Agreement of 1907 the Imperial Manchu Government made a heroic effort to stamp out the opium evil, and within three or four years China was practically freed from the curse that had afflicted her for a century. Had it not been for the process of political disruption that set in after the Revolution of 1911, that remarkable success would have been lasting, and after it there would have been no opium problem for the country.

"The National Government has now emerged victorious from what is considered the severest test of its authority. There is now a bright and reasonable prospect of effective political unification in China. It therefore would be most disappointing if the National Government hesitates to apply its increased authority to a task the success and feasibility of which were fully demonstrated by the Manchu rulers. *The talk of monopoly scheme is tantamount to the indiscreet admittance that the present regime were even less potent, less efficacious than the throne that already had fallen.*

"On the other hand, the adoption of the monopoly scheme would be the culminating foolishness of attempting a policy that has at various times been tried but failed. The latest example is *the experience of the National Government during 1927-8.* The collections of opium revenue were only one-fourth of the original estimate, although the amount of the sales was four times as much. The National Government ordered an inquiry into the affair by one of its able counsellors, and upon his frank advice, abandoned the monopoly system in favor of a policy of absolute suppression. Would the Government therefore light-heartly ignore a lesson that it has learned to the full extent?

"The operation of the monopoly scheme would *increase the number of addicts.* It has been admitted even by ardent advocates of the monopoly scheme that a drastic system for rationing and registering addicts is not advisable, as it would entail enormous administrative expenses, and numberless loopholes for misdeeds. In fact, such a system has never been found feasible because for obvious reasons the revenue officers are most reluctant to enforce them whether regulations for registration exist or otherwise, the practice of the *monopoly scheme will soon witness an appreciable increase in the number of addicts as a logical sequence of the removal of the legal restraint.*

"The practice of the monopoly scheme is subversive of the undertaking. China solemnly pledged under the *Hague Opium Convention of 1912,* providing for the effective suppression of the manufacture, trade and consumption of opium. At subsequent international opium conferences China was even impelled to withdraw her participation when she thought the Hague Convention was circumvented by interested Powers. As late as the meeting of the League's Opium Committee this January a plea was made both in a manifesto issued by the Ministry of Foreign Affairs and by the Chinese delegate at the meeting for the enforcement of the Hauge Convention in respect of the opium smoking situation in the Far East. It would be a serious reflection on the prestige of the Chinese Government if it were to adopt a system of which it had formally avowed its disapproval.

"The National Government has formulated elaborate laws and regulations for the suppression of opium. The description of these laws, as well as the resolutions adopted at the National Opium Suppression Conference in 1929, as a failure is not justified, as *an atttempt has yet to be made for the sake of their execution.* On the other hand, an abrupt annulment of the Government's undertakings to the country would betray a fickleness unworthy of its name and aspirations.

"It is a cardinal principle in the program of the Kuomintang that opium should be exterminated throughout the country. The late Dr. Sun Yat-sen, the founder of the Party, explicitly laid it down in his teachings that the existence of opium is incompatible with a government deriving its authority from the people. He enjoined strict adherence to the policy of absolute suppression, denouncing the practice of monopoly scheme as a betrayed of China authors as the the enemies of her people. For considerations outlined above, the soundness of his teachings with respect to the opium problem can hardly be questioned."

⁂

The popular opposition was made more vigorous because of the alleged report "that certain European interests connected with the League of Nations had been responsible for suggesting the scheme to China, as a means of prolonging the opium monopolies in various colonial dependencies in the Far East." It will be of interest to the reader to record here what Mrs. Hamilton Wright, an American anti-opium worker of world fame, has to say on this matter. In a public letter to the *Shanghai Evening Post,* a local paper of which Mr. Woodhead is one of the editors, Mrs. Wright gave the following sound advice to those who freely advised the Chinese to give up their opium prohibition fight:

"In view of the sinister rumors abroad that *China is being tempted against her better reason to establish an opium monopoly*—I feel impelled to quote from a speech made by Bishop Brent in Geneva before the Opium Advisory Committee of the League of Nations in which he said: *'The greatest service we can render China is to induce her Government to resist all temptation to establish a monopoly and ourselves to set an example how to suppress over-production and production other than for medicinal purposes...It is monstrous to argue that because a country is willing to be debauched therefore it is justifiable to debauch it.*

"*'Or to maintain that if we do not reap a golden harvest in a nefarious trade somebody else will, and therefore we are foolish not to do it. Or a nation to think it possible to build up an honorable and righteous commonwealth with revenue gained from the exploitation of the weakness and vice of human beings, whether its own national or not.'* And Bishop Brent was a loyal friend of China's.

(*Continued on page 354*)

SHANGHAI TELEPHONE COMPANY

Telephone Service....

WHILE the alterations going on in order to convert the telephone system in Shanghai to Automatic working do of necessity cause subscribers inconvenience and trouble, yet there are improvements being effected in the details of the Service as well as in the Physical Plant.

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In the Fields of Finance and Reconstruction

China's Population Totals 470,000,000, Statistics Show

According to latest statistics compiled by the Ministry of Interior, the total population of China is given at 470,000,000. As compared with statistics compiled by the Chinese Post Office in 1926, the present figure shows a significant decrease of more than 15,000,000. The cause of the decrease during these years is attributed to the famine in the northwestern provinces and continuous warfare thoughout the country.

Conference on Yellow River Conservancy to be Held Nov. 3

A conference to discuss conservancy measures for the Yellow River is being summoned by the Ministry of Interior for November 3, according to a dispatch from Nanking. Representatives from the Provincial Governments of Hopei, Shantung, Honan and other regions through which the River passes will be invited to participate in the discussion. It is hoped that a comprehensive program for flood prevention will be formulated at the forthcoming conference.

$10 Million Shipping Loan Approved by Nanking

That the Shipping Loan of $10 Million which has recently been approved by the National Government be issued at an early date is requested by the Shanghai Shipping Guild in a petition to the Ministry of Communications. In order to expedite the opening of more shipping routes and development of native shipping in general, the petition states, the loan should be issued as soon as possible to aid the shipping industry. It is understood that the Ministry of Communications is consulting the Ministry of Finance regarding the matter.

Sun Memorial Stamps to be Issued on Leader's Birthday Nov. 12

According to a report in the *China Press*, a consignment of 13 parcels of Dr. Sun Yat-sen memorial stamps has been received by the local postal administration. These stamps are of four denominations, namely one-half-cent, one-cent, four and ten cents, which all bear pictures of the late leader of the Kuomintang. These stamps will be issued for public sale on November 12, the birthday anniversary of Dr. Sun

Land Values in Canton Lower than Those of Shanghai, Report States

According to a report circulated by the Asia Realty Company, although land values in Canton have risen considerably during the past few years, they are still far below those of Shanghai or Hongkong. A lot on the West Bund, the most important commercial district in Canton about 1,000 yards from Shameen, was purchased last year for only $210,000 per mow, the report reveals.

Flood Loan to Finance Constructive Projects, Interior Ministry Suggests

That a certain percentage of the proceeds of the Flood Relief Loan be earmarked for relief in the form of refugee labor for constructive projects in flooded areas and that the local authorities of the various provinces affected by the flood be ordered to submit detailed plans of these constructive projects was the gist of a proposal by the Ministry of Interior to the Executive Yuan at the meeting of the State Council on October 20. The proposal was referred to the National Flood Commission.

Charter of Chinese Cotton Goods Exchange Extended for 10 More Years

Renewal of its charter for another ten years was granted to the Chinese Cotton Goods Exchange of Shanghai by the Ministry of Industries on October 23. In order that Article 2 of the Exchange Law, which provides that there shall be in one district not more than one exchange dealing in any kind of commodity be not contravened, it is understood that the Ministry ordered simultaneously that the Cotton Goods Department of the Chartered Stock and Produce Exchange of Shanghai be abolished and the license for its operation withdrawn.

Metropolitan Land Company Nets Huge Profit for Year

A net profit of Tls. 386,309.79 was announced by the Metropoplitan Land and Building Company for the current year ending September 20 at the second general annual meeting of shareholders held on Oct. 23. The payment of $1 per share was recommended by the directors of the company at the meeting which also recommended that $100,000 be written off for the goodwill of Messrs. Davis and Brooke, general managers, that $4,000 be written off for furniture and fixtures, that $100,000 be transferred to the general reserve account and that $82,309.79 be carried forward.

China Central Post Headquarters to Be Removed to Nanking Soon

The Central Headquarters of the Chinese Postal Administration will be removed from Shanghai to Nanking as soon as the new building, construction of which is under way, is completed, according to a report in the *China Press* on October 26. Pursuant to the original intention that the head office of the Chinese postal administration should be located in the Capital, the Ministry of Communications has completed arrangements for the construction of a new building on the space opposite the Office of Railways. According to plans made by the architect, the new post office building will be ready by middle of next year when the administration quarters in Shanghai will be removed to the Capital.

Inspection Bureau for Fishing Boats Soon to Open at Woosung

An inspection bureau for all fishing boats, irrespective of nationalities will be established at Woosung, it was announced by Wu Wan-pao, second department head of the Bureau of Social Affairs of Greater Shanghai Municipal Government. The duty of the new bureau will be to check and search all fishing vessels coming into the harbor with special attention to cargo which has escaped taxation and is being transported by fishermen. The project will also mean a check to Japanese boats fishing on the Woosung River. The new organ will be financed and superintended jointly by the Bureaus of Finance, Public Safety, Public Utilities and Social Affairs of the Great Shanghai Municipal Government.

New Block of Chinese Houses to Rise on Avenue Foch Site

Work has been started on the construction of a block of modern Chinese shops, residences and garages on the site formerly occupied by the Union Club building at 306 Avenue Foch, according to a report in the *Evening Post* Oct. 21. The project is estimated to cost $200,000 and is expected to be completed in six months. Along the street fronting on Avenue Foch, seven well-equipped shop buildings will occupy the spaces on both sides of the alley. All these shops will be three stories high. In the alley, there will be built twenty-five residences with eight garages behind them for the convenience of the residents. The new structures will be of brick and reinforced concrete. All modern conveniences will be provided throughout the buildings.

Chinese Ships to Resume Sailings, as Vessels Released by Military

With the definite promise of the Military Headquarters at Nanking to release most of the ships commandeered in connection with the recent communist suppression in Kiangsi, sailings of the local steamship companies along the Yangtsze River which have been suspended for over five months, are expected to be resumed shortly. The steamer *Kiangta* of the China Merchants Steam Navigation Company arrived in Shanghai October 19 and others will return here within a fortnight, it is learned. The resumption of operation of Chinese merchant vessels has been repeatedly urged by all Chinese merchants who have to rely upon the services of the British shipping firms for shipments of goods since the anti-Japanese economic boycott was launched. The business of the three leading Chinese shipping firms, the China Merchants Steam Navigation Company, the Sanpei and the Ningshao Steamship Company has been at a standstill since May 17 when their vessels were commandeered by the Nanking military authorities.

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Cornerstone Laid for New Royal Asiatic Society Building

With a brief ceremony held on October 20, the cornerstone of the new Royal Asiatic Society building on Museum Road was laid by J. F. Brenan, British Consul-General in Shanghai. In the course of a short address, Mr. Brenan pointed out that the local branch of the Society was founded in 1857 under the name of Shanghai Literary and Scientific Society. He stated that for many years the old buidling housing the society has been inadequate to meet the requirements and that finally due to the generous donations by the Shanghai Municipal Council, Dr. Wu Lien-teh and others, the Society decided to erect a new structure. Further subscriptions were needed, he continued, but it is hoped that the new building will be ready for use next summer.

Reserves of Central Bank Checked by Supervisory Body

The following statement on the reserves against note issue of the Central Bank of China was issued by the Supervisory Committee of the Bank at its regular semi-monthly examination held on October 20:

Total amount of dollar notes & subsidiary coin notes in circulation:—Dollar Notes, $36,831,225.00; Subsidiary Coin Notes, $2,868,462.00—$39,699,687.00.

Reserves against dollar notes & subsidiary coin notes in circulation:—Cash Reserve, $25,778,591.00; (of the above sum $18,208,857.00 is kept in Shanghai Office, the balance $3,943,291.00 is kept in Branches and Sub-branches. $3,626,443.00 is kept in Local Banks), $13,921,096.00.

Total amount of Custom Gold unit notes in circulation: —C. G. U. Notes, C. G. U. 1,000,000.00.

Reserves against Custom Gold unit notes in circulation: —G$400,000.00 deposited with Local Banks at 40, C. G. U. 1,000,000.00.

According to Article 2 of the Bank's regulations governing note issue the Bank is required to keep Cash Reserve @ 60% and Seeurities Reserve @ 40% of the total issue. Finding the Cash Reserve to exceed 60% and the Securities Reserve not over 40%, the supervisors certified that the reserves against notes in circulation is in order.

Shanghai-Peiping Air Service Resumed Running Oct. 25

The Shanghai-Nanking-Peiping airmail and passenger service operated by the Eurasia Aviation Corporation was resumed on the morning of Oct. 25, when the first airplane left Shanghai and Nanking for Peiping carrying aboard several passengers. A weekly service will operated for the present, planes leaving Shanghai every Sunday and Peiping every Wednesday. It way be recalled that owing to the incident in Mongolia last July when a plane was shot down by Mongolian brigands and later due to the Japanese occupation of Manchuria, the service of the Company had to be suspended in order to find a new route to the Siberian border instead of through Manchuli. It was later decided to inaugurate a new route over the Northwest but pending opening of such a route, the Corporation is resuming the Shanghai-Nanking-Peiping service for the time being.

Work Is Started on New Nanchang-Changsha Motor Road

At a brief and impressive ceremony attended by a large number of officials, including Gen. Lu Ti-ping, Chairman of Kiangsi Provincial Government, and floodre lief authorities at Nanchang on Oct. 24, ground was formally broken for the new main motor road to be constructed between Nanchang and Changsha, to connect the capitals of Kiangsi and Hunan provinces. Refugee labor will be used as far as possible, according to reports from Nanchang. The project is a part of the permanent road-building program of the two provinces. Surveys for this road were completed this fall. Heretofore all roads in Kiangsi have been built with funds provided partly by the provincial Government and partly by the local districts or hsiens. All the districts through which the Nanchang-Changsha road will pass are prepared to proceed with their part of the work except the Hsinchien district which has so much of its territory under water that it is unable to produce the required funds. The Kiangsi International Famine Relief Committee, at the invitation of the provincial government, has undertaken responsibility for the section in this seriously flooded district. It has appropriated $30,000 for the purpose as a project immediately available which will provide work for the flood victims in this region.

Chinese Houses Led in Building Activity in Settlement During September

Statistics relased by the Public Works Department of Shanghai Municipal Council revealed that a total of 761 building permits was issued for the building of various houses during the month of September. Of this figure, 560 permits were granted for Chinese houses which continued to lead the way in building activities in the Settlement, although showing a drop of more than one-fifth as compared with the figure for the preceding month. Thirty foreign residences and 87 foreign stores are to be built. Three new banks were to be erected, adding to the many built recently. This is due to the tendency of many leading banks to establish their branch offices in the various suburban districts for the expansion of their business. Two permits were issued for the building of factories. Other permits issued included two for building of godowns and 44 for miscellaneous houses.

New Headquarters of Christian Literature Association Near Completion

Work on the new headquarters of the Christian Literature Association on Museum Road is making rapid headway and will be completed early next year when approximately 30,000 square feet of office space will be available in the downtown district. Gangs of workmen are putting the finishing touches to the new structure which, when completed, will considerably relieve the present shortage of office accommodation in the overcrowded downtown district. The building is nine stories high and each floor provides an area of more than 3,400 square feet for office spaces. Construction of this building was started early last year when the old Lyceum Theatre gave way to the new project. The upper floors of the new structure are almost ready. Workmen are now busily engaged on the lower floors. It is expected that the building will be completed late this year or early next Spring.

New Bureau Formed to Promote Native Goods and Displace Japanese Products

With a view to devising means for the improvement and promotion of native products in displacement of Japanese imports, an investigation and inspection bureau will soon be established under the auspices of a group of influential business leaders and manufacturers in Shanghai. This bureau, which is a private organization will consist of four departments: namely, general affairs, investigation, research and enquiry. The authorities of the new organ will be lodged with a committee of several influential members with headquarters in Yuen Ming Yuen Road, Special emphasis will be placed on collecting data concerning the chief differences between Chinese and Japanese manufactures, localities of production, trading conditions, comparison of prices of various products, etc. Attention will also be directed to finding out the good points of Japanese products, the bad points of native goods and ways of improvement, the study of psychology of consumers, etc., in order that native products may be promoted and popularized.

Shanghai Power Company Building Ready for Occupation Next Month

The Shanghai Power Company's new six-story building on the corner of Nanking and Kiangsi Roads, construction of which has been in progress for almost two years, now stands practically completed and will be ready for occupation next month. The building is strongly and substantially built. A reinforced concrete and steel structure supports the Taishan face tile, the latter giving the outside of the building a pleasing appearance. Plate glass windows are set off by cast-iron spandrels, metalized and embossed by Malcolm and Company. The ground floor of the building will be used for exhibition purposes and the Power Company will move its showroom there from its present site in Sassoon House. The walls and floor in the showroom will be marble, and the decorations will be elaborate. An exhibition kitchen and bathroom will be one of the features of the new showrooms planned by the company. Otis elevators will be installed to eliminate possibilities of accidents. The building will be exclusively used for the offices of the Shanghai Power Company and no rooms will be let to outside firms. Though only six-stories in height, the structural strength of the building will allow for an addition of three more stories whenever the Company's executives desire more space. The second, third, fourth and fifth floors will be occupied by the staff members of the Power Company. On the sixth floor the executive suites are located; the rooms are expensively fitted. All of the rooms on the sixth floor are panelled in teakwood and are well-furnished. The dimensions of each floor are about 150 by 100 feet. Complete heating apparatus was installed by the Shanghai Waterworks Company. Sanitary and plumbing equipment was furnished by the same company.

Government Bonds Experienced Further Decline As Speculators Unload

Reviewing the week's activities on the Chinese Government bond market, Messrs S. D. Wang and Company stated that unloading speculative purchase accompanied by the current conflicting political rumors caused a further decline in the bond prices for the week ending October 23. An average drop of nearly three points resulted because unfavorable rumors were aggravated by the approach of settlement day. With speculative selling curtailed by existing regulations on the China Merchants Stock Exchange, professional operators have been transferring their activities to the buying end. They have been confining their observations to the final effects of unfavorable developments and buying in the expectation of a rise in price. During the earlier stages of the month, many of these accomplished some results satisfactory to their method of operation, but the most found themselves in an overbought position, when sinister rumors kept prices low. Fearing further decline and facing approach of the settlement day before which they had to unburden themselves of their October commitments, speculators issued their selling orders. The consequent effect was inevitable. A week ago, the action of the Council of League of Nations in inviting the United States to have a representatives it on the Council accomplished a rise of two points on the bond market. The absence of further improvement in the situation brought reactions until the arrival of the Cantonese delegation in Shanghai when prices again went up. Then wild rumors were circulated to the effect that a serious rift had developed in the Canton-Nanking negotiations, Prices went down so fast that in the case of Consolidated Tax bonds, suspension of trading was ordered when they lost over four points on October 22.

Prices continued weak during the following day, but the lie was given to the rumor on Saturday when this is being written, and prices are going up again in spite of the lack of favorable news from Geneva.

A turnover of close to $65,000,000 indicates a reviving interest in the market, and the disparity between October and November prices suggests the necessity of selling for the current and buying for next month's delivery.

The week's maximum loss was registered against 20th Year Customs which dropped 4.80 points, following Consolidated Tax in transactions with over $11,000,000. It fluctuated 9.00 points.

Consolidated Tax experienced a closer to normal trade with about $15,000,000. It was off 3.40 points after swinging 8.10 points.

Though 18th Year Customs moved least at 3.10 points it lost 1.40 to equal Reorganization bonds which fluctuated 5.50 points. For a movement of 7.60 points the loss of 4.70 points by Disbandment bonds is noteworthy.

The last two days of the period reviewed were the busiet ones on the exchange. Prices were lowest, sales were heaviest and investors were in the market, indicating that dull operators who could not take delivery had unwittingly helped to bring prices down so that buyers taking delivery might get their bonds at the lowest recorded quotations.

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Who's Who in China

Chen Nien-tsung, government official; born at Kashing, Chekiang, 1897; was graduated from Tsing Hua College 1921; student at Dartmouth College, 1922-23; received his B.A. degree from the University of Michigan, 1924; studied at the University of Columbia and received his M.A. degree; did research work in the National Institute of Public Administration, New York 1924-25; went to Paris and pursued further research work in Universite de Paris 1925-26; upon returning to China he was appointed secretary of the municipal government of Hangchow, Chekiang; professor of the technical college of Chekiang National University and of Chiao Tung University, Shanghai, 1926-28; secretary of the Legislative Yuan 1928-30; technical commissioner of the Examination Yuan 1930-31; associate examiner and concurrently senior secretary to the first examination for higher civil service, 1931; received the rank of Chien Jen; in recognition of his meritorious services, he was promoted director of the bureau of compilation of the Legislative Yuan, 1931, which position he still holds; author of: "The American Rule of the Philipines—Its History and Results"; "Elective Franchise, Initiative, Referendum, and Recall"; "Comparative Governments of Modern States"; address: Legislative Yuan, Nanking.

陳念中

Chen Nien-tsung

陳念中，年三十四歲，浙江嘉興人，曾于一九二一年畢業清華大學，三九二二年赴美留學于大的莫斯大學及米希根大學，一九二四年，得米希根大學學士學位，一九二五年，復得可倫比亞碩士學位，後在紐約及巴黎研究院研究二年，民國十五年回國，歷任杭州市政府秘書，浙江大學工學院及交通大學教授，立法院秘書，考試院專門委員第一屆高等攷試簡派秘書，兼襄試委員，現任立法院譯處處長。

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New Books of Interest in the Far East

The Problem of Population

Essays on Population, and Other Papers, by James Alfred Field. compiled and edited by Helen Fisher Hohman; University of Chicago Press, Chicago, 1931. 440 pages, with index.

Some years ago when Professor E. A. Ross of the University of Wisconsin visited China before he wrote his volume entitled "The Changing Chinese," he spoke to the writer of the desperate plight of China, who sought alleviation for economic distress without attacking the problem of her ever-increasing population. This volume on this very subject brings the issue before us in a clear way.

James Alfred Field was for nineteen years (1908 to 1927) a member of the faculty of economics at the University of Chicago. He did editorial work in his chosen profession and was prominent in musical, civic and university affairs. His teaching was out of the ordinary. He opened questions before his students and led them into new provinces of investigation and thought. At his death in 1927 he left certain papers, notes and outlines which have been collected and edited in the present volume, for which Dr. James Bonar furnishes an appreciative foreword. Dr. Bonar points out the chief characteristic of Professor Field's teaching method,—that of putting pertinent questions.

The first essay is a somewhat lengthy discussion of the Malthusian Controversy; another paper is devoted to The Early Propagandist Movement in English Population Theory. Eugenics, Demography, The British Control Movement, Eugenic Worth and Economic Value, and Paradoxes of Population Problems are among other subjects treated. The second section of the volume contains Professor Field's thoughts on the Economic Theory in Graduate Work together with a paper on The Use of the Logarithmic Scale in Statistical Diagrams and an outline of his Course on The Standard of Living.

In addition a third section of the book lists the books and pamphlets on Population in Professor Field's library. There is a good index to the book.

Professor Field held that "a sudden substitution of rational calculation for instinct as the influence determining human increase constituted, for good or for ill, one of the profoundest social changes of the last century." He traced Mathus' doctrines throughout their entire extent and pointed out that his spirit of reform "stopped at the threshold of marriage," thus leaving the essential problem unsolved. One of the most entertaining of these chapters is entitled Publicity by Prosecution, wherein the effect of prudish prohibitions is shown to have advertised quite effectively the whole matter of Birth Control. In the chaper, Reflections on Birth Control, Professor Field is quoted as having said the following regarding one charge against this sort of economic control:—"The most potent charge against birth-control, not in point of logic, but in its appeal to the ordinary man, is that it is an unnatural practice. Those who are impressed with this argument regard the advent of new life as proceeding by a preordained system. The laws of nature are the laws of God. They are made known to man by revelation; they are inflexible and inviolable, except at the risk of destruction in another world if the offenders are so lucky as to escape in this. To flout them is both sin and folly. Such is the argument of unnaturalism. But a moment's calm reflection suggests that what men recognize as the laws of nature bear an embarrassing similarity their own opinions. There is scarcely one of our most unquestioned habitual procedures which may not be called unnatural, such, for instance, as the innocent and highly useful habit of carrying umbrellas, the beneficent application of surgery to solace bodily ills, and the eminently decent and respectable convention of wearing clothes. The laws of nature are often only myths by which man satisfies his desire for understanding where knowledge is wanting."

The chapter on Eugenic Worth and Economic Value is of outstanding merit.

We commend this volume to Chinese economists who face a new age and are obliged, whether they desire it or not, to grapple with a pressing problem, one which is even at the present moment forcing the hand of the Japanese.

October 18, 1931 G. B. S.

Tales from the Caucasus

Twelve Secrets of the Caucasus, by Essad-Bey, translated from the German by G. Chychele Waterston; The Viking Press, New York, 1931. 333 pages, with map and photograph of the author.

The blurb for this book tells us that the author is himself a Caucasian. We are tempted to think that he is so only in the broader sense of being either a European Aryan, or a resident of the Caucasus. Or he may be both. Whatever his nationality, his book was written in German and this English edition is a translation.

Essad-Bey has traveled through the fastnesses of the petty political divisions in the Caucasus and he has here poured out in his book a great deal about their wild, untamed, irrational and illogical inhabitants. The internal evidence of the volume points to the author as a man of outside race for he shows a perspective hard to reconcile with stories of the native Caucasian. Some of his narratives can only be described by the term "yarn", but they all make exciting reading, and where many marvels and great ignorance exist a few more additions to the fanciful legends of the region cannot merit severe criticism from the ordinary English-reading public.

It would be unfair for us to quote from this book. Its stories of robbers' dons, mountain fastnesses, wild and maniac customs, inaccessible treasures, poets who compete in their poesy, masters of fragrance, blood feuds and the etiquette governing them, heroes, Jews, healing as an art, ruins and "true stories" must be read to be appreciated. If they are not all true why shouldn't they be? We cannot tell, so we will pass no judgment.

A few anecdotes concerning Count Leo Tolstoi, and Stalin of Soviet Russia, born a Georgian, lend sepecial interest to a number of pages. If you like tales of wild unknown places, "Twelve Secrets of the Caucasus" will please you by its novelty, for it is safe to say you have read few books that deal with this part of the world where revenge, robbery, and filial love are the greatest human virtues.

Oct. 20, 1931. B. G. S.

READERS of *The China Weekly Review who* may be interested in obtaining copies of any books which have been reviewed in these columns, may obtain them by sending their orders in care of *The Review*...If obtainable in Shanghai the books will be mailed immediately at retail prices prevailing in Shanghai, or if not obtainable here, they will be ordered from the publishers abroad. Send orders or inquiries to Book Editor, *The China Weekly Review*, 38 Avenue Edward VII, Shanghai.,

Additional News Notes

Colonel L. M. Cosgrave, the Canadian Trade Commissioner in Shanghai, at present on a tour of Canada and the United States, is expected to return here about the middle of December.

General Chiang Kuang-nai, commander of the 19th army corps, arrived in Shanghai during the week with part of his forces, who are to be stationed here under General Chen Ming-chu, the new Gendarmerie Commissioner.

Livelihood Weekly, a Chinese magazine printed in Shanghai, has sent a telegram to Dr. Alfred Sze paying a high tribute to him for the able and efficient manner in which he conducted China's case on the Manchuria question before the League of Nations.

One of the results of the sealing up by the anti-Japanese Association of stores of Japanese coal in Shanghai is a threatened coal shortage. The Chinese Chamber of Commerce has suggested that the ban on the sale of this coal be lifted, as half the coal here is of Japanese origin.

Men and Events

Dr. O. Fischer, Italian barrister, has returned to Shanghai after a holiday spent in Europe.

J. E. Black, U. S. Vice-Consul in Shanghai, has returned from a holiday spent in the United States.

The China Society of America has removed of its offices from 19 West 44th Street to the R. C. A. Building, 570 Lexington Avenue, New York City.

The officers and men to the U. S. S. *Houston* held open house on board the ship in Shanghai harbor, on Navy Day, Tuesday, October 27.

Dr. T. C. Huang, bacteriologist, returned to Shanghai end of last week via Siberia, from Geneva, where he attended the meetings of the League of Nations.

O. G. Steen, Oriental manager for the Dollar Steamship Lines, returned to Shanghai October 26 by the s. s. *President Garfield* from Japan, where he had gone on a business trip.

Ziang-ling Chang, who had been attending the International Labor Conference in Geneva, returned to Shanghai during the week. Mr. Chang was formerly Chinese Consul-General in New York.

Sir Reginald F. Johnston delivered a lecture on "A Chinese Poet-Monk of the Twentieth Century" before the North China Branch of the Royal Asiatic Society. Shanghai, Thursday, October 29.

Morris J. Harris of the *Associated Press* returned to Shanghai, October 27, accompained by Mrs. Harris. Mr. Harris was married in Kansas City, Missouri, on September 29, to Miss Elizabeth Lantry.

Dr. Fong F. Sec, editor of the Commercial Press, Shanghai, returned here during the week from the United States and Canada, where he was one of the Chinese delegates to the World's Y. M. C. A. conferences.

Ariel Vargas, representing the Movietone, and H. S. Newsreel Wong, Chinese photographer, from Shanghai returned to Japan last week after taking pictures of a whaling expedition in the vicinity of the Kurile Islands.

A boom in the Lancashire (England) textile industry has followed the cheapening of the pound sterling. Orders from China which under other circumstances would have gone to Japan have also contributed to the prosperity of England's textile trade.

The delegates to the conference of the Institute of Pacific Relations at present in session at Shanghai were entertained at a reception given by Wang Hsiao-lan, chairman of the Greater Shanghai General Chamber of Commerce, at the Chamber October 27.

The death occurred at Cleveland, Ohio, last week of Samuel Mather, who was the sole American donor of the five-story boys' building of the Shanghai Chinese Y.M.C.A. The late Mr. Mather made this gift (G$50,000) in 1915 as a memorial to his wife, Flora Stone Mather.

The marriage took place at Shanghai, October 27, of Miss Persus Isobel Gilman to Henry E. Kendall. The bride's father is manager of the American Trading Co. and the bridegroom is connected with Messrs. Dibrell Bros. Inc. Judge Milton D. Purdy performed the ceremony.

Announcement is made that Fred Zimbalist, a young Russian harmonicist, will leave the United States for a tour of the Far East in the near future. He will conduct recitals in Honolulu, Japan, China, Java, Malay States, Siam, India, Egypt and Syria, after which he will proceed to Europe.

Hawkling Yen was a passenger from Shanghai on the s.s. *Empress of Russia* October 26 en route to Washington to take charge of the Chinese Legation as charge d'affaires, pending the arrival at the American capital of the recently appointed Minister to Washington, Dr. W. W. Yen, who is at present in Nanking.

Sir John Hope Simpson, who gained an international reputation in the handling of Greek repatriation, arrived in Shanghai October 23. He has come to China from the League of Nations on the invitation of the National Government to act as director general at the headquarters of the National Flood Relief Commission.

A Nanking-bound pasenger train of the Shanghai-Nanking railway, while standing at a point about ten miles out from Shanghai, was hit by a freight train coming from the opposite direction on the night of October 27. The locomotive of the passenger train was derailed and the service was held up for several hours.

In the United States Court for China

In re
Estate
of
GUST NYLAND
Deceased

Cause No. 3395
Special Proceedings No. 765
NOTICE

Pursuant to an Order of said Court notice is hereby given to all persons having claims against the estate of GUST NYLAND, deceased, to present the same with vouchers to the undersigned on or before April 17 1931, and all persons owing debts to said deceased are hereby notified to make payments of the same in due course to the undersigned.

Shanghai, China.

Mrs. Ladis Nyland,
c/o Fessenden & Holcomb
12 Kiukiang Road.

Dr. Farrington Discusses Chinese-American News Services

Dr. Wallace R. Farrington, former Governor of the Territory of Hawaii, discussed "Development of Chinese-American News Services" at the October monthly tiffin of the American University Club, held in Ladow's Tavern Shanghai, October 27.

Dr. Farrington said that despite the casual attitude of the American people towards Far Eastern affairs, the American public nevertheless wanted to know what was going on in the Orient. The present Manchurian imbroglio showed how important it was to have real facts and to know what had gone on before the present dispute had arisen. This question had been brewing for two years but the newspapers carried only flashes concerning an "incident" and all that the average reader knew was that there was an "awful mess."

There was a great need for efficient news services to keep the public informed. Readers wanted news, said Dr. Farrington; they became suspicious that all news might be propaganda. It was the business of every American, on the Pacific Coast at least, be said to be better informed of affairs in the Orient than of European affairs. Dr. Farrington mentioned the news service facilities which were available at the present time and he said that news from the Orient should be written from the American standpoint and not from the European standpoint. He was very optimistic of the wireless facilities which American newspapers were developing and expressed the hope that, when these facilities were completed, the rate for the transmission of news messages would be reduced by fifty per cent.

The speaker emphasized the necessity getting news concerning industrial, commercial and general economic development and progress in this part of the world and not of the doings of so-called statesmen. In conclusion, Dr. Farrington scored the censorship of news by governments. The public, he said, were fed up with propaganda, and government control of cable means of transmission of news, etc., only tended to create suspicion regarding the news when it was received abroad.

THE NEXT STEP IN THE BATTLE AGAINST OPIUM

(*Continued from page 347*)

"As a matter of fact we believe that the sound public opinion of China is as much opposed to the legalization of this vice as it was a hundred years ago when the Emperor stated that: *'Nothing will induce me to derive Revenue from the Vice and Misery of my People.'* And as sincere as the Chinese delegation at The Hague when it signed the Hague Convention which called for 'the effective suppression of the use of prepared opium.'

"Who are these friends of China who are stepping surreptitiously in the shadows and urging her to break this Treaty and to recognize a trade which public opinion has branded as 'morally indefensible.' Is their voice to be heard against the pronouncement of science which twenty years ago stated in unequivocable terms that the use of opium save for medicinal purposes was an evil and not to be recognized—Or the verdict of the Health Committee of the League of Nations to the effect that the use of opium, again save for medicinal purposes, was an abuse and not legitimate. And to the fallacious argument that opium to the Chinese is as but a glass of ale to the European—the answer of Professor Cushney, the eminent pharmacologist of the University of Edinburgh, that he was aware of no evidence to prove that orientals have a different reaction to drugs from occidentals and until such evidence was brought forward he was not prepared to accept it.

"Whose then is the voice which would reverse these opinions? Why should a Chinese be fined and imprisoned in any city in Europe if found with a pinch of opium—and the same man encouraged to enter the opium dens of the same countries owning territory in the Far East? *Why does Europe pass laws to protect her people against this evil? Why is the use of opium prohibited in Japan? The Japanese are also Orientals.*

"This question has been discussed and dissected and exposed for the last two centuries. *If China knowing her people*—knowing that weakness—is willing to sacrifice them the blame will rest with her. But what of her disingenuous friends who are urging her to break her faith—to lose face before the world and to submit her people to a vice which can but lead to their utter degradation and final extinction?

"The need of revenue is no excuse. China is not the only country in the world today hard pressed for funds. Every other nation in Europe has been forced to readjust its budget since the war—but this has been done *along honorable and legitimate lines.* Can the super-experts and advisers who have helped Europe in her readjustment not devise means for China by which she can maintain her financial equilibrium and at the same time save her honor and the health of her people?

"The French philosopher Pascal said that 'To govern is to foresee.' This means to anticipate—to look ahead—to follow the act of the moment to its final conclusion. This opium cancer which is destroying China and the world does not call for temporary relief—but for urgent and radical cure—the knife if necessary. *Those who advise otherwise—should hesitate—or the world will reap the whirlwind.*"

***

Another American lady, Miss Ellen N. La Motte, internationally known as writer and lecturer on opium and kindred subjects, was so moved by the rumor that the National Government of China was contemplating the establishment of an opium monopoly that she sent a cabled memorial to the State Council of the National Government which reads as follows:

"It has been reported in the press that the Government of China is considering the establishment of an Opium Monopoly, for the control and sale of opium and the receipt of the revenues which will thus be obtained.

"The effect of this rumor upon American public opinion is most unfortunate. Under the Monarchy, China made a successful fight to eradicate the cultivation of the poppy, and the people of the United States will be greatly disappointed if the present Government is not equally able to protect the health and welfare of the people as adequately as the repudiated Monarchy. *No true friend of China can advise such a step, which must inevitably lessen China's prestige before the world.* The establishment of a monopoly means the violation of the Hague Convention of 1912, an international agreement which America entered upon primarily for the benefit of China.

"China had no greater friend then Bishop Brent, who stated at Geneva: 'The greatest service we can render China is to induce her Government to resist all temptation to establish a monopoly....*It is monstrous to maintain that if we do not reap a golden harvest from a nefarious trade, somebody else will. Or for a nation to think it possible to build up an honorable and righteous commonwealth revenue gained from the exploitation of the weakness and vice of human beings.*

"'The argument advanced that this is but a temporary measure does not hold. *There is no instance in which a monopoly that has once been established has ever been abandoned.*"

(*To be Continued next week*)

密勒氏評論報
南京分銷處

見起戶閱利便爲茲
派卽知通話電須祗
返往勞免上送差專
角四洋小本每價定
例一申與

關下京南
汪宸記報社
電話四一八一二

Vancouver "Sun" Says U. S. A. Should Extend Credits to China and Russia

The *Vancouver Sun* (R. J. Cromie, owner and publisher) following up a series of editorials discussing world trade, capitalism, and silver, in its issue of September 29 printed an editorial pointing out how the wealth of the world is slipping. This editorial among other things says: "The principle of capitalism is sound: capitalism has a really worthwhile function to perform; it will survive. Communists in Russia thought otherwise; they now find they were mistaken. The masses of North America must not be flattered into believing that the temporary abuse and exploitation of capital will permanently outlaw capitalism, any more than abuse and exploitation can permanently arrest any reward of effort. But the function which capitalism has to perform is not to accumulate in Washington five billions of dead gold; not to plow under the soil one-third of this year's United States cotton crop; not to arrest Nature's production of lumber and fruit and wheat in Canada; not to arrest the technical and industrial production of seven million unemployed in North America. The function of capitalism is to effect among the two billion people who live on this earth, a reasonably equitable distribution of Nature's and Man's production. Whether the profit be immediate or future, China and Russia should, through national credits, be supplied with some of the surpluses piled up all over this continent. Should men stand idle and capitalism dwindle while these two vast potential markets remain unfilled?"

Rival Interests in Manchuria Discussed at I. P. R. Meeting

In a discussion of "Diplomatic Machinery in the Pacific" at the session of the Institute of Pacific Relations in Shanghai, October 27, three of the five Round Tables found themselves discussing that machinery with special reference to Manchuria. Four of the Round Tables were upon "Dependencies and Native Peoples." The discussion was conducted in the most cordial spirit, Japanese and Chinese members taking a leading part. A Chinese member inquired why the Japanese objected to the reference of the question to the League of Nations. Japanese members replied that Japan was far from unfriendly to the League of Nations, and had co-operated with it actively from the beginning. The Manchurian question, however, was one peculiarly requiring direct negotiations between China and Japan, particularly because of the nature of the question, and especially because of the impossibility of a meeting of members of the League of Nations, necessarily inadequately informed, deciding in a day and night upon questions involving the realities of so complicated a situation. Even a commission of inquiry sent to the scene could not acquire this familiarity with the question in the brief time of its investigation. On the Japanese side, there is not nearly the long and complex structure of the facts, but also an intense sentimental interest embodied in the phrase "blood and treasure" applied to Japan's outpourings for a whole generation into the production and the development of its interests in Manchuria.

To this a Chinese replied that there is a sentimental side in China's interest also, and if Japan's sentiment goes back to the Russo-Japanese War, China's goes back at least 300 years before that.

The question arose how far the Pacific area can be treated as a region for purposes of diplomatic machinery and international action. The Washington Conference Treaties have to some extent so treated it, but have not set up adequate regional machinery for carrying out this conception. Even the Board of Reference provided in one of those Treaties has not yet been set up. Moreover, while local questions in any region are important to that region, the great importance of the questions of the Pacific is that they now affect the entire world. As a Chinese member pointed out, the present crisis at Geneva is determining not merely the immediate issue, but the whole question of the fate of the League of Nations itself, and of the possibility of organizing the world for peace and the settlement of international questions around the council table, or the disorganization of its forces.

League and the Orient

This led to the question whether the League of Nations should not have an office of its Secretariat or affiliated with its Secretariat, located somewhere in the Orient; whether the Council of the League of Nations should not have a special committee on Far Eastern questions; and whether the Council itself ought not to hold an occasional meeting in the East. The League, it was pointed out, already has a centre at Singapore, and at the invitation of China, various representatives of the Secretariat have come to China to look into social, health, and economic questions. If the League were thus in closer and continuous contact with the Orient, the lack of confidence in its knowledge, expressed by the Japanese, would probably be greatly lessened.

The question also was raised whether regional international discussions of any sort can well be carried out in any region in which one power is greatly stronger than others in the same region. This affects the usefulness of the League of Nations in the Pacific by virtue of the absence of the United States and the Soviet Union from membership in the League. A Japanese delegate remarked that the absence of the United States from the

The CHINESE NATION

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October 28, 1931.

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Shuhsi Hsu

The Sanctity of International Law
S. L. Pun

The Anti-Japanese Boycott
Kyi Zuh-tsing

DEPARTMENTS

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NOTES OF THE WEEK RECONSTRUCTION TOPICS

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League decreased by fully one-half its value to Japan. It was thought that if some regional centre of the League were established in the Orient, the co-operation of the United States and even of Russia with at least that centre of the League's activities might be facilitated.

Machinery of Treaties

The machinery of treaties, bilateral and multilateral, in the Far East for the settlement of international disputes, is less than that in other parts of the world. The Washington Conference Regional Treaties are, perhaps, the only exception to this rule. There is only one bilateral treaty of arbitration to which a Far Eastern nation is a party, and that is between Japan and Switzerland. Neither Japan nor China has signed the optional clause of the World Court; China, it was stated, because other matters were more urgent and this could be postponed, and Japan on account of certain internal constitutional difficulties. China, it was also explained, hesitates to enter too far into arbitration or juridical agreements for fear that certain issues which China regards as political will be regarded by others as juridical.

The question was also raised whether there are psychological difficulties to intellectual disarmament in the Pacific, such as the prevalence of fear and the lack of knowledge of fundamental policies underlying questions of disarmament and arbitration. The technical question as to the recent action of the League of Nations was also raised. If that action were under paragraph 15 of the Covenant of the League, it would have the authority of the Council and would imply, if not any positive obligations on League members, at least a negative obligation to abstain from certain actions. If, however, it was under some previous section, and especially section 11, it might not be obligatory without a unanimous vote.

British Elections Result in Crushing Defeat of Labor Party

The elections held in Great Britain October 28 resulted in the Conservatives securing 447 seats, as against the National Laborites 12, Opposition Laborties 43, Independents 2, and Liberals 63. The Conservatives have an overwhelming majority. Ramsay Macdonald was reelected. Arthur Henderson, one of the most prominent Labor leaders, was among the candidates who were defeated.

Ramsay Macdonald in an interview stressed that it was a "Nationalist", not a Conservative victory. The new Parliament is expected to stabilize the pound sterling and lighten the burden of taxation, through the elimination of waste.

Chinese in Singapore Praised by British Editor

The Straits Times, (Singapore) the most powerful and influential British newspaper in Malaya, in an editorial discussion of Japan's entry into Manchuria, entitled "Is Might Still Rights?" makes the following highly complimentary reference to the Chinese community in Singapore.

"The behavior of the Chinese in Singapore and in Malaya is worthy of the highest traditions of the nation and the people. How strongly they must feel it is, perhaps, difficult for foreigners to understand, but at least they have the intense satisfaction of knowing that they have done nothing to hamper Nanking's negotiations at Geneva and that the combined calm restraint and dignity of millions of Chinese people have made it clear to the world that Japan alone was the aggressor and that her pretended fears for thesafety of her nationals were mere comouflage and utterly impossible of justification.

"Japan has done everything she could to provoke Chinese retaliation, but everywhere,—except in Hong Kong where most deplorable outrages, with which the Nanking Government had of course, no direct concern, occurred,—the Chinese have kept their feelings well in hand, and Tokio is unable to point to a single Japanese life lost on Chinese soil since the trouble began. The result is, of course, that every fresh effort the Japanese make to sting the Chinese to acts of violence merely puts Japan further and further in the wrong. China has thus every reason to look forward with calm confidence to the outcome of the deliberations now taking place in Geneva. She has an unanswerable case. Japan has rattled the sabre and used the mailed fist in a way which would have disgraced a natiou of uncivilised barbarians. She has, in effect, told the League of Nations to mind its own business and to allow Japan and China to settle their own affairs without neutral interference. Japan is in Manchuria and intends to remain there if she can. Her idea of "direct" Sino-Japanese negotiations is for Japan to keer her iron heel on China's neck, to point the guns of her mighty Navy at Chinese ports and riverside cities, to present impossible demands and to say "Accept these or take the consequences." That is not "direct negotiation," it is blatant highway robbery on the grand scale. China is quite right in demanding a neutral commission to investigate Sino-Japanese differences. It is only by the League of Nations appointing such a commission that justice can possibly be done. But first of all Japan must be made to withdraw her troops to the railway zone and, even then, care must be taken to see that she has no more troops in that zone than the treaties allow.

***

Japan's Militarists Will Bring Sufferings to the Japanese People

The *New Republic* (New York) comments as follows:

"The cause of the clash in Manchuria is Chinese-Japanese hostility, but its precipitation was determined by the equally sharp rivalry within Japan to which we have already referred. By comparison with ten years ago Japanese militarism is cowed, though not crushed. Civil authority, can no longer be ignored, but it is not yet undisputed. For years the principal issue between the Japanese militarists and the civil authorities has been Japan's policy in China. The militarists have been for what militarists always call 'a strong hand.' The civilians, recognizing that Japan can exist only with Chinese trade and therefore Chinese good will, have renounced aggression in China and followed a conciliatory policy. The fiasco of the Japanese invasion of Shantung three years ago and General Tanaka's 'strong policy' in Manchuria put the military party in disrepute, but the recent succession of incidents in Manchuria has caused it to raise its head again.

"For a number of weeks now, there has been an intensive campaign of army propaganda in Japan for punitive measures against China. Unsuccessful in whipping up Japanese chauvinism quickly enough, the War Office appears to have struck of its own motion. Once again Japanese militarism has had its way; but the Chinese have a reserve weapon which is in the end almost irresistible--the weapon of the economic boycott. Times are very bad in Japan; China is a tremendously important customer for Japanese goods. When trade comes to a standstill because no Chinese will under any circumstances buy anything made in Japan or sold by a Japanese trader, the militarists of Tokio will probably retreat as they have done before. And as is always the case with the militarists in all countries at all times, they will leave the burden of suffering for their misdeeds to be borne by the people."

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Kellogg Pact Inapplicable, Says Prominent Tokyo Paper

Japanese opinion on the Manchurian situation is fairly represented by the *Tokyo Nichi Nichi*, which recently said: "An examination of the Kellogg Pact will show it is not applicable in the present dispute. Although it outlaws war, it does not forbid the use of force for the defense of gitimate rights. The trouble with the pact is that it is a simple covenant. Thus various interpretations can be put on the pact's provisions. Indeed, every signatory power has its own interpretation.

"Britain, for instance, joined in the pact, after it had assured itself it could use force for the safeguarding of its rights in certain of its territories. France, co-author of the pact, did not accept the agreement unconditionally. It reserved the right to resort to force in self-defense. The position of the United States was made clear by the Senate Committee on Foreign Relations, which rendered the opinion that the pact recognizes the right of self-defense. The committee at the same time declared that America's participation in the agreement would not affect the maintenance of the Monroe doctrine. In view of the vital interests the United States has in Central and South American countries, it was only natural that the Senate Committee should have concluded the pact should not be applied in disputes that might arise over these rights. In Manchuria and Mongolia, Japan has rights which aro as important as America's interests in Central and South American countries. If America has a right to use force for the safeguarding of its interests in its neighboring countries, there is no reason why Japan should not have a right to use force for the protection of its interests in Manchuria."

Latest New York Stock Exchange Quotations

Market: Irregular Business Done 1,400,000 Shares
October 28.

1930-1931 High	Low	Div.$ perSh.	STOCKS	Mon. Oct. 26	Tues. Oct. 27
23½	7	1.00	Adams Express	Mult.	8⅝
182¾	69	*6.00	Allied Chemical & Dye	86⅝	83⅝
42¾	14⅛	2.00	Allis Chalmers	18	17
129¾	72	4.00	American Can	85	83¾
51¾	12⅛	—	American &ForeignPower	Mult.	16⅛
31½	4⅝	—	American& For. Power W.	8⅞	8½
58½	20	2.00	American Smelting	26	25
201¾	121½	9.00	American Tel. & Tel.	139½	137⅝
132¾	75⅛	*5.00	American Tobacco "B"	93¼	92
80¾	23	3.00	American Waterworks	33⅝	33
43¼	13	—	Anaconda Copper	16¾	16⅝
87⅞	28⅜	5.00	Baltimore & Ohio	35½	33
70⅜	25⅛	2.00	Bethlehem Steel	25¾	25⅞
76½	37	*3.00	Borden Company	47	46⅜
20¾	10	1.00	Borg Warner	13⅛	13
45⅜	12⅛	1.25	Canadian Pacific Railway	14½	14¼
181½	33⅝	—	Case J. I.	51⅛	50⅝
54⅛	15⅝	3.00	Chesapeake Corp	24¾	22½
25¾	11⅞	1.00	Chrysler	16¼	15¾
20¾	5¼	*.30	Cities Service, Co.	7⅝	7½
45⅝	16¾	2.00	Columbia Gas & Electric	22¼	22
12	4¾	.40	Commonwealth & Southern	5⅞	5⅝
2¾	⅝	—	" " warr.	Mult.	⅞
109⅝	61¼	4.00	Consolidated Gas. of N. Y.	73⅛	72⅛
12	5	—	Continental Oil	7	6⅞
86⅝	37⅛	5.00	Corn Products	46¾	45
3⅞	1¼	—	Curtiss Wright Co.	2	2⅛
78¾	44½	4.00	Drug Incorporated	55⅝	54½
107	54¼	4.00	Du Pont de Nemours	58⅛	57¼
185¾	93¾	*5.00	Eastman Kodak	110	107⅞
61	14⅞	6% S	Electric Bond & Share	21	20¾
38⅜	5¼	2.50	Fox Film "A"	7¾	7¾
54¾	24¾	1.60	General Electric	30⅞	30
56	30⅝	3.00	General Foods	36⅜	36
48	22½	3.00	General Motors	26¼	25⅞
84⅛	23	5.00	General Railway Signal	Unq.	33
58¾	9¼	—	Gillette	15⅜	15
42½	18	2.50	Gold Dust	22⅜	22⅜
20⅞	5	—	Goodrich Rubber	6⅞	6⅞
52¾	16¾	3.00	Goodyear Tire & Rubber	25½	25
22⅝	6¼	1.00	Granby	Unq.	9
62½	17¼	4.00	International Cement	20½	20
4	⅝	—	International Combu. Eng.	⅞	⅞
60½	23½	2.50	International Harvester	29⅞	29½
20⅛	7½	.60	International Nickel	9⅞	9¾
38¾	14	1.00	International Tel.& Tel.	17⅝	17¼
80¾	32	3.00	Johns Manville	33½	33¼
31½	10¼	1.00	Kennecott	15⅜	14⅞
27¾	5⅛	1.61	Kreuger & Toll	8	8⅜
91	42	*4.00	Liggett & Myers, "B"	56¼	46¼
63½	27⅝	3.00	Loew's: Inc	39	38⅛
21⅞	10	—	Lorillard P Co. (com.)	13¼	13⅛
19	5	—	Ludlum Steel	7¾	Unq.
29¼	8⅝	—	Montgomery Ward	12⅞	12
40⅞	15¼	4.00	Nash Motors	20	19
14¾	5	1.00	Nevada Consolidated Co.	7	6½
132¼	50	4.00	New York Central	54¼	52
11	3⅞	—	North American Aviation	5	5
54⅞	30	2.00	Pacific Gas & Electric	36	35½
11⅞	4	.40	Packard Motor	5⅛	5⅛
50¼	10½	10%S	Paramount—Publix Corp	13¾	13½
54	29⅞	3.00	Pennsylvania Railroad	31⅞	30½
8½	3¾	.20	Pennroad Corporation	4⅜	4⅛
16⅝	4¾	—	Phillips Petroleum	6¼	6¼
96	52½	3.40	Public Service of N. Jersey	63⅞	62½
27½	10⅞	—	Radio Corporation	13¾	13⅝
24½	7	—	Radio-Keith Orpheum	8⅛	7⅝
54½	35⅞	3.00	Reynolds Tobacco "B"	39½	39
63¼	31	*2.00	Sears Roebuck	42	41¾
10¼	3½	—	Shell Union	4¼	4
23⅜	9¾	—	Simmons Company	13½	13⅛
26½	13¼	1.60	Socony-Vacuum Corp.	14½	14¼
54½	28⅝	2.00	SouthernCaliforniaEdison	34⅝	34½
88⅜	29¼	3.50	Standard Gas & Electric	40¼	39¾
53½	28⅜	*1.00	Standard Oil of N. Jersey	33½	32⅝
36¼	15⅛	2.00	Texas Corporation	19	13½
55¾	21⅛	3.00	Texas Gulf Sulphur	28	28
18	3⅝	.40	Trans America	4⅛	4⅛
72	27½	2.60	Union Carbide & Carbon	37	35½
205⅛	105⅛	10.00	Union Pacific Railway	111	106
38⅞	12½	—	United Aircraft& Transp't	16½	15⅝
31	10⅝	.75	United Corporation	14¼	14
37½	20	1.20	United Gas Improvement	23	22⅞
20⅜	5⅝	—	U.S. Rubber	7	7
152⅜	62¼	4.00	U.S. Steel	68⅜	67¼
76¾	13½	—	Vanadium	20½	20
20⅜	4¾	—	Warner Bros. Pictures	6¾	6¾
107¾	39⅜	2.50	Westinghouse E. & M.	47½	46
72⅝	43⅜	2.40	Woolworth	56⅜	55⅝
*plus extras			Call Money	2½ %	2½ %

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American-Oriental Finance Co.'s Quotations

1931 High	Low	Book Value	Par Value	Div.	Stocks	Earn. 1930	Estimated Earn.Full Year 1931	PRICE Mon. Oct. 26	Tues. Oct. 27	Current Yield
109⅜	52⅞	40	no	3.00	Air Reduction	6.32	4.75	65⅝	63⅞	4.6
60	35	137	100	5.00	Amer. Sugar Refining	6.24	4.00	43 Bid	42	11.9
43	14	16	no	3.00	Canada Dry Ginger Ale	4.43	4.45	20	19¾	15.8
52½	12¼	22	no	3.00	Caterpillar Tractor	4.63	1.50	15¼	14¾	20.0
62¾	32	43	no	2.50	Continental Can	5.04	4.00	39½	39⅛	6.4
18	3¾	—	no	—	Coty, Inc.	0.86	- -	5¼	5	- -
23	12⅛	22	no	1.00	Diamond Match	1.59	1.25	16	15½	6.4
74⅜	20¼	17	no	6.00	Elec. Auto Lite Co.	5.32	5.00	30	30¼	13.3
60¾	17¾	37	no	1.00	Elec. Power & Light	2.56	2.85	23⅝	23	4.3
7	4⅛			.222†	F'damental Trust "A"			5	4⅞	9.2
7¼	4½			0.30†	F'damental Trust "B"			5⅜	5	12.0
78⅛	40	65	no	4.00	Gen. Amer. Tank Car	7.95	6.00	46	45½Bid	8.8
16¼	6½	24	100	—	Int. Printing Ink	6.84	.10	7¼	6¾Bid	- -
43⅞	15¾	71	no	2.00	Mack Trucks	2.60	nil	21¼	21	9.5
83¾	38¾	17	10	2.80	Nat'l Biscuit	3.41	3.00	47⅞	47	5.7
39¾	15⅛	29	no	1.50	Nat'l Cash Register	3.00	2.00	17½	17½	- -
50¾	20½	15	no	2.60	Nat'l Dairy Products	4.11	3.50	28⅛	27¾	9.4
88	26½	22	no	10% S	North American Co.	4.16	4.00	39⅞	38⅝	10%S
59½	20¼	24	no	2.50	Otis Elevator	3.44	2.95	25⅝	25⅝	10.0
65¼	38⅝	40	no	5.00	Safeway Stores	9.02	5.50	50⅜	48	10.4
67¾	29	74	no	4.00	United Fruit	6.76	4.24	33½	32¼	12.5
36¾	9	63	no	1.00	U. S. Realty & Imp.	4.42	1.15	10½	10⅜	10.0

† — Interim Dividend—6 months
S — Stock Dividend

Exchange Circular for the week ending Wednesday, 21st October, 1931.

This week has been one of nervous uncertainty as to the progress and the action to be taken by the Council of the League of Nations regarding Manchuria. The assistance of an American observer at Geneva was invoked and agreed to in spite of the opposition of Japan. Locally there is no doubt of strenuous activity, on the part of various organizations to tighten up the boycott of Japanese merchandise. Silver advanced in price, but subsequently fell away again. The London/New York Cross rate has varied between 3.85$\frac{7}{8}$ and 3.94$\frac{5}{8}$. Enormous movements of Gold have taken placed from the U.S.A. to France and other unknown centres. The Japanese Cross rate has declined from 49.38 to 49.30.

Local interest rates have been raised all round, a factor which has been absent from China for some three years.

Silver:—Opened on the 15th inst. at 17$\frac{1}{8}$d. for spot and 17$\frac{3}{8}$d. forward, and G. $ 0.29$\frac{7}{8}$, and closes today at 17$\frac{1}{8}$d. and 17$\frac{1}{4}$d. and G $ 0.30.

China has been a seller and a buyer: India continues to cover bear sales: America has been a seller, sometimes under the quoted rates. Speculators have been buyers, until yesterday.

Exchange:—The T/T official rate on London on the 15th inst. was 1/7$\frac{1}{2}$d: raised on the 17th inst. to 1/7$\frac{3}{4}$d: lowered today to 1/7$\frac{3}{8}$d.

The market opened on the 15th inst with sellers of T/T at 1,7$\frac{7}{8}$d, G. $ 32$\frac{3}{8}$ and Yen 152: 4 m/st Cr, 1/8$\frac{5}{8}$d. and G. $ 33$\frac{1}{2}$: Guld Bars closed 704. A steady to firm tone prevailed, and throughout the day 1/8d: G. $ 32$\frac{1}{2}$ and Yen 151$\frac{1}{4}$ were available. Gold Bars closed at 701 70.

Our Stocks of Silver are reported as follows:—

Sycee and Bar Silver ... ... Tls. 67,928,000 a decrease of Tls. 1,558,000
Chineese and Mexican Dollars $ 180,030,000 an increase of $ 1,500,000
Estimated value Tls. 197,549,000 as against Tls, 217,972,000 held at this time last year

†	Average rates for Sept.	Thursday Oct. 15	Friday Oct. 16	Saturday Oct. 17	Monday Oct. 19	Tuesday Oct. 20	Wed. Oct. 21
Bank's selling rates		*opening closing*	*opening closing*	*opening closing*	*opening closing*	*opening closing*	*opening closing*
T/T on London	1/3.540	1/7½	1/7½	1/7¾	1/7¾	1/7¾	1/7⅜
D/Dfts ,,	—	1/7½	1/7½	1/7¾	1/7¾	1/7¾	1/7⅜
4 m/s ,,	—	1/7 9/16	1/7 9/16	1/7 11/16	1/7 11/16	1/7 11/16	1/7 7/16
T/T on India	86,182	109½	109½	111	110½	110½	108½
T/T on France	754,000	803	801	810	811	816	808
T/T on N.Y.	29,685	31⅝	31½	31⅞	32	32¼	31¾
T/T on Demand		31⅝	31½	31⅞	32	32¼	31¾
T/T on Hamburg R. M.		136½	137	137	136	138	137
T/T on H'kong	79.585	78 nom.	78⅛nom	78⅛nom.	77¾ nom.	78 nom.	78 nom
T/T on Japan	265.800	156½	156½	155	155	155	157½
T/T on Batavia	73.570	78	78	78½	78	78	76
T/T on Straits	180.660	144½	144½	143	143	143	145½
Bk's buying rates 4 m/s B/L. Cred.&D/A	1/3.756						
4m/s B/L D/P	—						
6m/s ,, B/L Cred&D/A	1/4 006						
4m/s B/L Cred D/A or D/P	806.053						
4m/s N.Y.Lc.	31.867						
4m/s ,, Docs	—						

†Based on Daily Official quotation, higher rate taken on rising Market, lower when falling.	Oct. 15	Oct. 16	Oct. 17	Oct 19	Oct. 20	Oct. 21
Bullion,						
*London Price of Bar Silver per oz. (English Standard 925 touch) Pence	17⅛	17	17⅜	17 9/16	17⅝	17⅛
**New York Price of Bar Silver per oz. (Pure)	G.$ 29½	G.$ 29¼	G.$.29⅞	G.$.30	G.$.30¼	G.$.30
Shanghai Price of Gold Bars (weight Tls.10(Chauping) 978 touch)	Tls. 701.7	Tls. 693.50	Tls. 692.90	Tls. 688.50	Tls. 707.70	Tls. 174.8
Shanghai Silver Bars (weight Tls.100 (Canton) 999 touch)	Tls. 112.50	Tls. 112.50	Tls. 112.50	Tls. 112.50	Tls. 112.50	Tls. 112.50
Shanghai Mexican Dollars per $100	Tls. 72.875	Tls. 72 85	Tls. 72.9875	Tls. 72 9	Tls. 72.7	Tls. 72.8
Native Bank Rate of Interest (Call money)	4%	4%	6%	4%	6%	5%
*Closing Price in London for Previous day						
**Closing Price in New York for Previous day						

Bank of England rate of discount	6%	London on Paris	T/T 100.13
Bank of France rate of discount	2½%	New York on London	T/T 3.91½
London open Market of Dis. 3 m/s	5½	Bombay on London	T/T 1/5 25/32
,, ,, 4 ,,	5⅝	Hongkong on London	T/T 1/3
,, ,, 6 ,,	5⅞	Kobe on London	T/T 2/5⅜

FEARON, MAITLAND and SHAW

The National City Co. Gold Bond Quotations Received From Head Office

October 22, 1931.

SECURITY	RATE & DATE DUE	Price	Approx Yield%
The National City Bank of New York	Stock	65	—
City of Antwerp	5 % Dec. 1, 1958	78¼	6.76
Argentine Government	6 % May 1, 1960	45	—
Canadian National Railway Co.	5 % Oct. 1, 1969	92	5.50
Chile Government ..	6 % Jan. 1, 1961	15¼	—
City of Vienna	6 % Nov. 1, 1952	55	11.86
City of Yokohama ..	6 % Dec. 1, 1961	75	8.27
German General Electric (A. E. G.)	6 % May 1, 1948	35	—
German Central Bank for Agriculture.. ..	6 % Apr. 15, 1938	41 bid	—
Greek Government ..	6 % Feb. 1, 1968	63	11.50
Japanese Government	6½% Feb. 1, 1954	96	6.85
Kingdom of Italy.. ..	7 % Dec. 1, 1951	88¼	8.15
Lautaro Nitrate Co., Ltd.	6 % July 1, 1954	14¼	—
Nord Railway Co. ..	6½% Oct. 1, 1950	101	6.41
Norwegian Hydro-Elec. Nitrogen Corp.. ..	5½% Nov. 1, 1957	65	9.01
Oriental Development Co..	5½% Nov. 1, 1958	70	8.30
Paris - Lyons - Med. Railroad Co.	7 % Sept. 15, 1958	102 bid	6.84
Republic of Costa Rica (Pacific Rwy.)	7½% Sept. 1, 1949	42	—
Republic of Finland ..	5½% Feb. 1, 1958	55	10.60
Republic of Peru . ..	6 % Dec. 1, 1960	10	—
Rhine Westphalia Electric Power Corp. w.w.	6 % Aug. 1, 1953	45	—
Saxon Public Works ..	6½% May 1, 1951	30½	—
Saxon State Mortgage Institution	6½% Dec. 1, 1946	42	—
Toho Electric PowerCo. Notes (Japan)	6 % July 1, 1932	93¼	16.73
Tokyo ElectricLightCo. (Japan)..	6 % June 15, 1953	60	10.79
Ujigawa ElectricPower Co. (Japan)	7 % Mar. 15, 1945	87½	8.58
U. S. of Brazil	6½% Oct. 1, 1957	23	—
Anaconda Copper Mining Co.	Common Stock	17⅛	—
Baltimore & Ohio Railroad Co.	Common Stock	37⅝	—
Belgian National Rway. Pcptg. Pfd. Stock ..	6 % (Amn. Shares)	67¼	—
Pennsylvania Railroad Co.	Common Stock	33½	—
Socony-Vacuum Co ..	Common Stock	14½	—
United Aircraft and Transport Corp. ..	Common Stock	17⅛	—
Chicago Rapid Transit Co.	6½% July 1, 1944	42	—
CubanDominicanSugar Corp.	7½% Nov. 1, 1944	9	—
Pennsylvania - Dixie Cement Corp. ..	7 % Cum. Pfd. Stock	9½	—
State of Minas Geraes Series "A"	6½% Sept. 1, 1959	15	—

QUOTATIONS RECEIVED FROM LONDON OFFICE

Republic of China Gold Loan	5 % 1925	61	—
Chinese Govt. Re-org. (£) Loan Stamped ..	5 % 1913/60	60½	—
Chinese Govt. Re-org. (£) Loan Unstamped	5 % 1913/60	58½	—
Chinese Govt. (Crisp Loan)	5 % 1912	37½	—
Shanghai Nanking Railway	5 % 1904/08	38	—
Shanghai Hangchow Ningpo Railway ..	5 % 1908/38	70	—
Hukuang Railway ..	5 % 1911/1951	22	—
TientsinPukowRailway	5 % 1908/09	15	—

NOTE: The above quotations are received by cable and whilst believed to be correct, are not guaranteed.

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What the Ships Carry between America and China

Return of the Shanghai Customs

Pls.—1 Picul or 133 1/3 pounds; Bls.—Bales; Pcs Pieces; Mille—thousands;

ST. ALBANS, September 4.

Agents: Mackinnon, Mackenzie & Co.

From U. S. of America.

Oil, Lubricating, Mineral	*Galls.*	9 507

PRESIDENT PIERCE, Sept. 4.

(Agents: Dodwell & Co.)

From U. S. of America.

Motor-cars	*Pcs.*	1

KWANTO MARU, September 5.

(Agents: Osaka Shosen Kaisha.)

To U. S. of America.

Silk, Raw, Steam Filature:		
Yellow, Tsingtao	*Bls.* 95 *Pls.*	92.69
White, Shanghai	,,225 ,,	222.88
Tea, Green:		
Gunpowder, Ningpo...	,,	360
YoungHyson, Hangchow, etc.	,,	54
Tea, Leaf, Unfired:		
Kiukiang etc.	,,	135
Tea, Black, other kinds, other Ports	,,	247
Brassware	,,	96
Bristles, Assorted	,,	100
Wool, Sheep's	,,	199
Skins, Rabbit Untanned	*Pcs.*	17,868

CHICHIBU MARU, September 5.

(Agents: Nippon Yusen Kaisha.)

To U. S. of America.

Silk, Raw, Steam Filature:		
Yellow, Hankow, etc.	*Bls.* 10 *Pls.*	9.78
White, Shanghai	,,135 ,,	132.49
Silk, Raw, Re-reeled:		
White	*Bls.* 50 ,,	88.89
Tea, Black, other kinds, Hankow	,,	84
Tea, Green:		
Gunpowder, Ningpo...	,,	487
YoungHyson, Hangchow	,,	26
Brassware	,,	8
Wool, Sheep's	,,	176
Woodware	,,	11
Eggs, Fresh	*Mille*	32

RYOYO MARU, September 7.

(Agents: Showa Shipping Co.)

From U. S. of America.

Hides, Cow	*Pls.*	94
Paper, Chipboard	,,	8,411
Timber, Softwood:		
Logs,	*Sup.ft.*	392,356

TITANIAN, September 8.

(Agents: Dodwell & Co.)

From U. S. of America.

Cotton, Raw:		
American	*Bls.* 23,450 *Pls.*	73 476

WOYO MARU, September 8.

(Agents: Yamashita Kisen Kaisha.)

From U. S. of America.

Timber, Softwood:		
Merchantable	*Sup ft.*	239,462
Ordinary, Sawn ...	,,	551,665

STEEL WORKER, September 9.

(Agents: U.S. Steel Products Co.)

From U. S. of America.

Cotton, Raw:		
American, ...	*Bls.* 500 *Pls.*	1,797
Iron and Steel, Galvanized:		
Tubes	,,	1,084
Sheets, Plain	,,	381
Iron and Steel, Ungalvanized:		
Sheets	,,	1,993
Tubes	,,	1,211
Tees	,,	166
Tinned Plates, Plain...	,,	5,343
Steel, Bamboo	,,	2,931

KINAI MARU, September 9.

(Agents: Osaka Shosen Kaisha.)

From U. S. of America.

Cotton, Raw ...	*Bls.* 300 *Pls.*	1,035
Iron and Steel, Galvanized:		
Sheets, Plain	*Pls.*	79
Fibre Sheets, Vulcanized	,,	66
Grease, Lubricating, Mineral	,,	292
Indigo Paste, Artificial:		
20 per cent. strength ..	,,	21
Sulphur Black	,,	203
Tobacco, Leaf	*Pls.*	1,331
,, Prepared, in Tins	,,	12
Wax, Paraffin	,,	337
Oil, Lubricating, Mineral	*Galls.*	47,383
Dyes, Aniline	*Pkgs.* 176 *G. Units*	10,624
Motor-cars	*Pcs.*	5
Automobiles, Parts of	*G. Units.*	5,548
Machinery, & Parts of	,,	15,707

LISBON MARU, September 10.

(Agents: Nippon Yusen Kaisha.)

From U. S. of America.

Cotton, Raw	*Bls.* 2,280 *Pls.*	8,071

HEIAN MARU, September 10

(Agents: Nippon Yusen Kaisha.)

To U. S. of America

Silk Piece Goods	*Pls.*	2
Skins, Goat, Untanned ..	*Pcs.*	1,000

WISCONSIN, September 12.

(Agents: States S. S. Co.)

From U. S. of America.

Paper, Common, Newsprint	*Pls.*	2,757
Motor-cars	*Pcs.*	1
Timber, Softwood:		
Merchantable	*Sup ft.*	307,136
Ordinary, Sawn ...	,,	1,304,979

TAIYIN, September 12.

(Agents: Dodwell & Co.)

From U. S. of America.

Brass Strips	*Pls.*	14
Iron and Steel, Ungalvanized:		
Tinned Plates Plain...	*Pls.*	240
Glucose	,,	420
Tobacco, Leaf	,,	1,876
Machines, Sewing	*Pcs.*	178
Baking Powder	*Doz.*	450
Turpentine, Vegetble ...	*Galls.*	208
Motor-cars, Parts of	*G. Units*	2,831

PRESIDENT FILLMORE, September 14.

(Agents: Robert Dollar Co.)

From U. S. of America.

Iron and Steel, Ungalvanized:		
Screws	*Pls.*	62
Tinned Plates, Plain...	,,	376
Apples, Fresh	,,	41
Canned Awabi	,,	83
,, Fruits	,,	41
Cotton Blankets	,,	2
Cotton, Raw:		
American ...	*Bls* 621 ,,	1,878
Leather, Calf	,,	3
,, Cow	,,	13
Oil, Coconut	,,	18
Oranges, Fresh	,,	751
Ink, Printing	,,	32
Paper, Writing	,,	42
Coffee	*Catties*	198
Chocolate	*Lb.*	888
Cigarettes	*Mille*	300
Motor-cars, Parts of	*G. Units*	2,072

EMPRESS OF JAPAN, Sept. 14.

(Agents: Canadian Pacific S.S. Co. Ltd.)

To U. S. of America.

Tea, Black other kinds, Kiukiang	*Pls.*	16
Silk Piece Goods	,,	2 00
" Pongees, Manchurian	,,	0 92
Silk, Raw, Reeled from Doupions:		
Shanghai	*Bls* 60 *Pls.*	58 07
Silk, Raw, Steam Filature:		
Yellow, Shanghai	*Bls.* 50 ,,	49.75
Yellow, Chungking, etc.	*Bls.* 40 ,,	20.25
White, Shanghai	,,285 ,,	280 42
Silk, Waste:		
Antung	*Bls.* 106 ,,	301.24
Hair, Human	*Pls.*	50
Hats, Hemp	*Pcs.*	1,800
Skins, Lamb, Untanned..	,,	9,000
Rugs	,,	6

KENTUCKY, September 14.

(Agents: States S. S. Co.)

From U. S. of America.

Timber, Softwood:		
Merchantable ...	*Sup.ft.*	684,907
Ordinary, Sawn...	,,	726,160
Motor-cars	*Pcs.*	4
Motor-trucks, Chassis of	,,	1

EMPRESS OF JAPAN, Sept. 15.

(Agents: Canadian Pacific S.S. Co. Ltd.)

From U. S. of America.

Rice	*Pls.*	448

EMPRESS OF ASIA, Sept. 15.

(Agents: Canadian Pacific S.S. Co. Ltd.)

From U. S. of America.

Motor-cars,	*Pcs.*	1
Motor-trucks, and h Cassis of	,,	10
Cobalt xide of	*Pls.*	15
Flour, Wheat	,,	17
Oranges, Fresh	,,	83
Leather, Patent	,,	4

PRESIDENT WILSON, Sept. 17.

(Agents: Robert Dollar Co.)

To U. S. of America.

Silk, Raw, Steam Filature:		
Yellow, Chungking, etc.	*Bls.* 45 *Pls.*	44.34
Shanghai	,, 35 ,,	34.28
White,	,, ,,275 ,,	271.91
Silk, Raw, Reeled from Doupions:		
Shanghai	*Bls.* 20 *Pls.*	19.89
Silk, Waste:		
Shanghai	*Bls.* 34 ,,	105.05
Silk Piece Goods	,,	1.26
Tea, Black:		
Congou, Kiukiang ...	,,	36
Other kinds, Kiukiang	,,	66
Tea, Green:		
YoungHyson, Hangchow	,,	27
,, ,, Kiukiang	,,	51
Gunpowder, Ningpo...	,,	555
,, Hangchow	,,	11
Brassware	,,	89
Bristles, Assorted	,,	100
Chinaware, Fine	,,	39
Feathers, Duck	,,	38
,, Goose	,,	28
Woodware	,,	38
Wool, Sheep's	,,	666

KINAI MARU, September 19.

(Agents: Osaka Shosen Kaisha.)

To U. S. of America.

Silk, Raw, Steam Filature:		
White, Shanghai	*Bls.* 180 *Pls.*	177.58
Yellow, Tsingtao	,, 20 ,,	19.54
Silk, Raw, Reeled from Doupions:		
Shanghai	*Bls.* 20 *Pls.*	20.00
,, Waste, S'hai	,, 42 ,,	141.80
Silk Cocoon Strippings:		
Shanghai	*Bls.* 31 ,,	100.57
Tea, Green:		
Gunpowder, Ningpo etc.	,,	551
Bristles, Assorted	*Pls.*	65
Egg, Whole Egg, Frozen	,,	117
Feathers, Goose	,,	89
Oil, Wood	,,	905
Wool, Sheep's	,,	140

TAIPINGYANG, September 22.

(Agents: Dodwell & Co.)

To U. S. of America.

Tea, Black, other kinds, Kiukiang, etc.	*Pls.*	310
Tea, Green:		
Gunpowder, Ningpo...	*Pls.*	638
Hyson, Hangchow ...	,,	43
Silk, Raw, Steam Filature:		
Wild, Shanghai	*Bls.* 10 ,,	9.91
Bristles, Assorted	,,	100
Hats, Hemp	*Pcs.*	12,000
,, Rush	,,	60,000
Skins, Dog	,,	3,200
,, Weasel, Untanned	,,	4,000

PRESIDENT TAFT, Sept. 22.

(Agents: Robert Dollar Co.)

To U. S. of America.

Silk, Raw, Steam Filature:		
White, Shanghai	*Bls.* 305 *Pls.*	29.869
Yellow, ,, ,,	25 ,,	24.65
,, Hankow, etc.	,, 85 ,,	84.72
Silk Pongees, Honan	,,	40.95

Chinese Government Railways

Shanghai-Nanking and Shanghai-Hangchow-Ningpo Lines

From Shanghai to Nanking: 311.04 Kilometers

From Shanghai to Hangchow: 189.57 Kilometers

The Shanghai-Nanking Line extends from Shanghai, one of the greatest seaports in the world, to Nanking, the seat of the Nationalist Government of China. Short as it is when compared with the other trunk Lines in China, it serves a rich and densely populated district of preponderant importance, politically, as well as commercially and industrially. The whole Line is dotted over with points of known scenic beauty too numerous to be all mentioned here. Tourists and travellers should utilize the train service of this Line at least to visit Soochow, known as the "Garden City of the Orient," Wusih, the picturesque city on Lake Tai-hu, Chinkiang, the "Gate of the Yangtze River," and Nanking, a city rich in historic remains with the new grand Mausoleum of modern architecture for Dr. Sun Yat Sen, Founder of the Chinese Republic.

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3 SOCONY LUBRICATION SERVICE: Prolongs the life of your car by reducing wear on all moving parts through correct lubrication with the proper grade of SOCONY greases and oils. Keep the performance of your car up and repair bills down with SOCONY LUBRICATION SERVICE. YOU SAVE MONEY.

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